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NEWS SUMMARY

GENERAL

Carter faces postal strike

Leaders of the U.S. postal services two largest unions have been mandated to call an illegal national strike unless pay negotiations are resumed early next week.

Postal workers have rejected a proposed three-year pay settlement, but it is not yet clear if their leaders will call a strike, thus inviting the postal service to seek a court order forcing them to order normal working.

The potential disruption is only one aspect of the problem for the Carter Administration. It is also anxious to avoid a repetition of the blow the miners delivered to its anti-inflation policy earlier this year. Back Page

Hess freedom hijack mystery

A TWA airliner with nearly 90 people aboard was safe in Geneva yesterday after what appeared to be a hijack attempt to free former Nazi leader Rudolf Hess and Sirhan Sirhan, Robert Kennedy's assassin.

Swiss police searched for a mystery man in a wig who held the airliner for more than 11 hours under a threat to blow it up. While the plane's lights were dimmed for a film, he gave a stewardess two letters for the captain, which claimed that six hijackers were aboard and that the airliner would be blown up if Hess and Sirhan Sirhan were not released.

When officials finally boarded the plane, they found no armed men but passenger identity checks were continuing early today.

Base patrols

The British Army increased mobile patrols round its Moenchengladbach headquarters in West Germany after a bomb was found in a hired car outside the base shopping centre. At Crossmaglen, South Armagh, 15 mortar bombs were fired at an army base.

Smallpox suspect

A woman who works in the anatomy department at Birmingham Medical School is suspected of having smallpox. She is being held in an isolation ward and eight other people have been vaccinated and quarantined.

Carnival plans

London police chief Sir David McNee yesterday said he would send no more policemen to the Notting Hill carnival than were "absolutely necessary to keep the peace."

Panama asylum

Panama has granted political asylum to the 25 left-wing guerrillas who stormed Nicaragua's National Palace on Tuesday. The rebels said they wished to stay in Nicaragua and continue their campaign against the Nicaraguan Government. Page 2

Conclave starts

Roman Catholic cardinals were sealed in the Sistine Chapel yesterday as they began their conclave to elect a new Pope. First voting will take place today and the first news the world will receive will be the traditional smoke signals from ballot papers burned in the Sistine stove. Page 2

Briefly . . .

Thick fog on the River Seine hampered frogmen yesterday as they broke up the wreck of a capsized British tanker, Mary Weston, in which five crewmen died.

London's City Corporation has received an application for the City's first heliport. The floating "helistop" would be off Trig Lane Stairs, between Southwark and Blackfriars bridges.

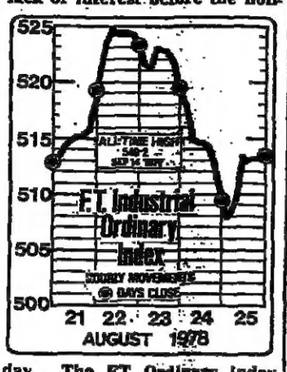
Former President Richard Nixon will preside over a $250-a-head Republican fund-raising dinner at his San Clemente home.

Lord's Test: England are 175-2 in their first innings (Radley 75 n.o., Gower 55 n.o.) in reply to New Zealand's 339.

BUSINESS

Equities firm: gold lower

● EQUITIES showed a return of confidence, in spite of normal lack of interest before the holiday. The FT Ordinary index closed 4.1 up at 518.4, making a net rise of 0.5 in the first week of the Account.



● GILTS gained in places and the Government Securities index closed 0.01 up at 70.66.

● STERLING fell 35 points to $1.9270, and its trade weighted average remained unchanged at 62.2. The dollar, which made early progress, eased a little in the afternoon but its depreciation narrowed to 3.7 (9.2).

● GOLD fell $2¼ to $198¾ in London $12 down on the week, and in New York the Comex August settlement price was $198.40 ($200.50).

● WALL STREET closed 1.82 down at 895.53, in moderately active trading.

● DEPARTMENT of Energy is opening discussions with a number of North Sea oil companies with a view to taking some of its 12½ per cent royalties on crude oil in oil rather than cash in the second half of next year. Back Page

● AUSTRALIAN Government has reached agreement with Aboriginal tribesmen in the Northern Territory which will allow work to start on the Ranger uranium project. Back Page

● U.S. TREASURY officials have confirmed that large foreign currency drawings from the IMF are being considered, but said that no firm policy decisions had yet been made. Back Page

● BRITISH AIRWAYS is to lease a jumbo jet from a group of Japanese companies as part of a $800m aircraft leasing programme started by Japan to raise imports and reduce the country's trade surplus with the rest of the world. So far 21 other airlines have applied to join the leasing scheme. Page 3.

● J. SAINSBURY and Tesco supermarket chains are beginning to pull ahead of other multiples in the High Street battle for a greater share of the grocery market. Page 15

● JUNIOR CARLTON CLUB has been bought by an un-named foreign company for just over £1m. Page 15

LABOUR

● SOUTHAMPTON dock labour force have voted on a mass walk out in support of disputes affecting cargo and passenger handling. Page 3

● THE Clothing Manufacturers Federation has reached a national wage agreement within the Government's 5 per cent guidelines in talks with the National Union of Tailors and Garment Workers. Meanwhile the Burton Group has told unions it will cut its workforce to about 2,700. Page 3

COMPANIES

● S. PEARSON AND SON attributable net profits for the half year to June 30 were 19.8 per cent up at £7.87m (£6.57m). PEARSON LONGMAN pretax profits were £11.39m (£9.16m) for the first half-year of 1978. Page 14

● S. HOFFNUNG pretax profits for the year to March 31 fell from a peak of £4.53m to £2.78m, after second half profits were more than halved from £2.54m to £1.21m. Turnover was £105.3m (£108.8m). Page 14

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Treasury 9½pc 1981 £97xd	+	3
Beecham	718	+ 8
Blue Circle	296	+ 6
Brown (J.)	472	+ 13
Burton A	167	+ 4
Cullens A	140	+ 7
Elys (Wimbledon)	263	+ 3
Hawker Siddeley	244	+ 6
ICI	486	+ 6
Lonrho	65	+ 5
Lovell (G. F.)	43	+ 9
Lyons (J.)	133	+ 9
MFI Furniture	139	+ 5
Magnet & Southerns	237	+ 5
Natwest	280	+ 7
Newmark (L.)	230	+ 7
Ocean Transport	114	+ 4
Peter Pan Bakeries	60	+ 10
Wood (S. W.)	43	+ 5
Zenith A	104	+ 5
EZ Industries	275	+ 10
Pancontinental	£14	+ 1
Peko-Wallsend	545	+ 15
FALLS		
Compton & Webb	40	− 6
Hoffnung (S.)	80	− 7
Primrose	67	− 8
De Beers Defd.	422	− 7
Yukon Cons.	160	− 5

Disputes endanger Scottish plant BL warns unions

BY NICK GARNETT, LABOUR STAFF

Unions were warned by BL management yesterday that the company will not continue to operate its Bathgate truck and tractor plant in Scotland unless there is a quick and dramatic improvement in industrial relations.

The Board of Leyland Vehicles has called for an urgent meeting, possibly next week, with all the unions at the plant in an attempt to secure commitments on production levels.

The unions will be told that unless those commitments are given and honoured, BL no longer could afford to keep the present Bathgate operation which, the company says, has suffered a drastic rise in labour probelms over the past six months.

The vulnerability of Bathgate, which employs about 6,300 from the Edinburgh area, was emphasised last month by Mr. Michael Edwardes, BL chairman, who told local union officials that the secure future of the plant depended upon an end to unofficial disputes and restrictive practices.

This is in spite of a £45m investment programme for the three years up to 1980 covering Bathgate and the Albion truck plant near Glasgow.

Bathgate, which produces tractors medium and light trucks above 3½ tons and diesel engines for those vehicles, is a loss-maker for BL. The company said yesterday that production had been running at about 60 per cent of target, more than 5,000 vehicles were lost in the first seven months of this year because of stoppages and other unofficial actions and some valuable export orders were threatened.

The company's firm stand was given on the eve of a meeting of 1,500 machine operators who have been on strike for three weeks.

Halt threat

National officials of the Amalgamated Union of Engineering Workers are due to go over the heads of shop stewards today and appeal directly to strikers to return to work. The strike over a pay claim for working new machinery has almost halted production at Bathgate.

Truck building at the Albion plant, which is dependent on cabs produced at Bathgate, will be halted within about a fortnight if the strike goes on. That would mean 2,000 or more lay-offs there.

Mr. Pat Lowry, BL's corporate director of personnel, who said yesterday that the company would not make any offer to the strikers, emphasised that Leyland Vehicles' anxiety about the plant went beyond the present dispute.

Industrial disputes had become almost a way of life, the plant was on a serious slide and the company was trying to halt the fall.

There was no desire to close the plant and the company was not threatening the workforce. If things did not improve, the plant's future was black indeed. That was the plain statement of the brutal truth.

● Leaders of the unofficial Leyland toolroom committee will meet in Birmingham this morning to discuss their reaction to the Amalgamated Union of Engineering Workers' threat to expel 32 toolmakers at BL's SU Fuel Systems factory unless they return to work on Monday. The strikers, who are receiving financial support from other BL toolmakers, are expected to ignore the ultimatum.

Assembly workers face short-time Page 3
Lightning strikes twice in the BL toolroom, Page 12

Allied agrees to meeting to discuss Lyons offer

BY CHRISTINE MOIR

A LAST-MINUTE compromise has been hammered out between Allied Breweries and the pension funds.

Following a meeting between Mr. Keith Showering, chairman of Allied, and pension fund leaders yesterday morning, Allied has volunteered to call a shareholders' meeting "to discuss the offer" for J. Lyons and Company.

In return the funds have called a halt to their moves to force a meeting.

Instead of the resolution proposed by the special committee of the pension funds, which would have required Allied to get shareholders' approval before issuing shares to buy Lyons, the meeting will now simply be asked to "note with approval" the bid on the original terms and conditions.

Such a resolution would have no legal significance as far as the bid is concerned, whereas the original motion drafted by the pension funds would have introduced a new condition into the deal.

Yesterday Mr Hugh Jenkins, chairman of the special committee set up to voice the fund's concern, said that he welcomed Allied's offer of a meeting. "What we wanted was a public debate," he said, "and we have now got that."

Mr. Hugh Jenkins welcomed offer of a meeting.

The pension funds say their row with Allied was not over whether the company was right to bid for Lyons.

Their complaint was that the directors had undertaken last year not to issue shares in any deal which would significantly change the company's business without first consulting shareholders. The funds believed that the bid for Lyons was just such a change.

Allied denied that a merger with Lyons was anything more than an extension of its existing business and adamantly refused to consider seeking shareholders' approval first.

In the face of this refusal the funds, in an unusual exercise of shareholders' rights, decided to muster support for a compulsory meeting which could have required Allied to seek prior approval before it could issue shares.

Now the meeting will simply be asked to pass what is virtually a vote of confidence in the Board's decision to buy Lyons.

In the meantime the offer will proceed without interruption. Documents will be posted to Lyons' shareholders on Thursday. The first closing date for acceptance will therefore be September 22, four days after the emergency meeting called for the 18th.

One fund manager pointed out yesterday that there might still be problems if the resolution was not passed at the meeting However, the City was not taking this seriously yesterday. Lyons' shares rose 9p to 135p on the day compared with an offer price of 154p and Allied's closed 7p down at 84p.

A-plant former staff checks

BY LISA WOOD

RECORDS OF hundreds of former employees at the Atomic Weapons Research Establishment at Aldermaston, Berkshire, are being checked to see if there is any need for those who have previously worked in "active" areas to be recalled for further plutonium contamination monitoring.

The Ministry of Defence said yesterday that the checks were being done as a matter of routine and former employees and their families should not be unduly worried. Former employees who had not worked in plutonium handling areas were welcome, if they were worried, to ask for further monitoring. This category could include clerks and gardeners, but priority would obviously be given to people who had worked in "active" areas.

But, Mr. George Hughes, chairman of the joint union executive at Aldermaston, which represents more than 2,000 workers, said: "We have asked that all former employees, who have worked in 'active' areas, even those who are now retired, should have whole-body monitoring for plutonium contamination."

He said he was very pleased, but surprised at the Ministry of Defence's decision to close all plutonium handling areas at Aldermaston until staff working there could be given assurances about health and safety precautions.

"It comes as something of a surprise that they have decided on a total shutdown but our interests are solely with the

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Aldermaston safety debate, Page 15

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For latest Share Index 'phone 01-246 8026

Air chaos threatens holiday weekend

By David Curry and Lynton McLain

FRENCH AIR traffic controllers began a ten-day work-to-rule yesterday, bringing the threat of mounting chaos at British and French airports as holiday flights build up to the weekend peak.

The daunting outlook, with a repeat of previous delays of up to 48 hours in prospect, became evident as a big security clampdown was launched at London's Heathrow Airport last night.

Security forces at Heathrow, fearing a sudden terrorist attack, were placed on red alert. The Department of Trade ordered all airports managed by the British Airports Authority to close all public viewing areas immediately, including the tops of multi-storey car parks overlooking operational areas.

The directive came less than a week after the Arab attack on an El Al airline bus in Mayfair, London.

The flights worst affected by the French air traffic controllers' dispute are those from north-west Europe to southern Europe and North Africa. These have to pass through French air space or make expensive detours into zones beyond air traffic control.

The 2,500 controllers have already staged two work-to-rules in recent weeks. They are still demanding higher pay and protesting against inadequate equipment.

The work-to-rule means that the controllers refuse to accept more than eight aircraft under their control at any one time—half the normal number.

The controllers yesterday accused the French Transport Ministry of "intransigence." The Ministry accused the controllers of blackmailing passengers and using safety as a camouflage for mercenary claims. The national association of French travel agents asked the French Government to classify it as a "disaster area."

Other French civil aviation personnel, including technicians, are planning token strikes in support of the controllers. They say they will accept no extra work arising from the controllers' action.

The escalation of the dispute could not have happened at a worse weekend. For the French it is one of the busiest as thousands make

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Japan to take tough line on hi-jacking, Page 2

Chancellor optimistic on economy

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

MR. DENIS HEALEY, Chancellor, yesterday painted an optimistic picture of the state and prospects of the British economy in what amounted to a rehearsal of the main themes of Labour's election campaign.

He claimed that the economy was now in better shape than at most times since the war—referring in particular to the turnround in the balance of payments and the reduction in the inflation rate.

Mr. Healey told businessmen in Edinburgh, which he is visiting for the festival that "substantial progress had been made in recent years and he hoped this could be maintained although it might need a further period of office." He would not be drawn on questions of election timing.

He claimed that over the medium term the Government could achieve a steady fall in unemployment and increase in living standards.

Mr. Healey stressed, during his speech and later, what are clearly seen by Labour leaders as the electorally attractive issues of living standards and inflation—saying it seemed possible that the UK could finish 1978 with a lower rate of inflation than either France or the U.S.

"The average family's living standard has increased by over 5 per cent in the past 12 months." While the increase over the next few years could not be as much as this, and would vary from year to year, the Chancellor thought the annual rise in living standards could be near the post-war average of 2-2½ per cent.

Mr. Healey claimed that prospects of keeping inflation under control were better than they may have appeared a month or so ago because of the strength of the pound and the likelihood of an exceptionally good harvest, which should keep food prices lower.

"The key will be the level of earnings increases in the wage round now beginning. I believe that the guidelines the Government has set will be respected. I think, along with a growing number of City commentators, that we have a good chance, if we keep moderation and responsibility in wage settlements, of keeping inflation in single figures right through next year."

Mr. Healey emphasised the brighter side of the recent internal Treasury assessment of the economy.

"Output is increasing in line with the target we set ourselves, as we now look like increasing our gross domestic product by 3 per cent, more than seems probable in Germany."

He did not discuss the probability that the rate of economic growth will slow from its current pace from later this year onwards—as believed to be indicated by internal Treasury forecasts and by outside projections.

Mr. Healey admitted that "too much of the additional spending power is still going into imported manufactured goods. In part, this is because British industry is not always able to meet increases in demand in time."

He saw here, too, some good signs for the future, citing the general agreement that "manufacturing investment is likely to increase substantially again this year and next."

Mr. Healey discussed the economic and industrial record of the Government in Scotland. In particular, he emphasised that "it is a vital economic interest of the Scottish people that they should not be cut off in the industrial field from the rest of the UK."

"As I am arguing with my colleagues in the European Community, a currency union, still more an economic union, must require a steady flow of resources from the wealthier parts of the union to those which are less wealthy.

"The success of the UK's internal common market depends on this."

Foot warns on Joseph policies

A WARNING that the economic policies advocated by Sir Keith Joseph, Mrs. Thatcher's leading policy adviser, would lead to unemployment of the scale of the 1930s was given last night by Mr. Michael Foot, leader of the Commons. Mr. Joel Barnett, chief secretary to the Treasury, said that thinking people recognised that the Tories did not offer constructive solutions and their policies could lead only to worsening unemployment. Page 3

PUBLISHER'S NOTICE

The Financial Times will not be published on Bank Holiday Monday, August 28.

£ in New York

	—	Aug. 25	Previous
Spot		$1.9270-9280	$1.9500-9510
1 month		0.40-0.34 dis	0.40-0.34 dis
3 months		1.25-1.20 dis	1.25-1.19 dis
12 months		4.60-4.50 dis	4.65-4.55 dis

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..... Date .....
Signature .....
(In the case of a joint application all must sign) FT 26/8

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OVERSEAS NEWS

Zambians 'held' by S. African troops

LUSAKA, August 25.

ZAMBIA SAID, tonight two busloads of civilians had been detained by South African forces near the border town of Sesheke, where Zambian and South African troops have been fighting for the past three days.

A Government spokesman said the buses were travelling between two rural areas of Southern Zambia and the occupants had been unaware of the clashes.

At least 12 civilians have been reported killed and six wounded since Zambia announced the South African incursion on Wednesday.

Zambian Foreign Minister Siteke Mwale said this morning fighting was still going on. But unconfirmed reports this afternoon said the area was quiet, though it was not known whether the South African forces had returned to their bases on the Caprivi strip of Nambia (South West Africa).

A Government spokesman said there were several bodies in the hospital at Livingstone, the biggest Zambian town in the region. Medical sources said nine injured civilians, including two children, had been admitted to the hospital. One had been discharged after treatment.

The South African incursion followed a guerrilla attack on South African positions near the Caprivi strip town of Katima Mulilo in which nine South African soldiers were killed, according to officials in Pretoria.

Officials of the South West Africa People's Organisation (SWAPO) said they had evacuated their bases in the Sesheke area. "When South Africa struck, they found the camps empty."

Meanwhile, in Rhodesia, the military commander in the war against black nationalist guerrillas today denied that he had bought property in South Africa and was planning to leave.

Lieutenant General Peter Walls said he would stay in Rhodesia as long as he was wanted.

Prime Minister Ian Smith issued a similar denial on Sunday amid growing uncertainty among whites about the course of the six-year bush war.

A thousand whites are leaving Rhodesia each month despite strict controls on the export of capital.

Reuter.

Vietnam-China border fight erupts

BANGKOK, August 25.

VIETNAM and China reported fighting at a border crossing point inside Vietnam today. Both sides said there were several deaths and many injuries.

Hanoi and Peking agreed the incident occurred in Vietnamese territory, but gave different accounts of what had happened.

Hanoi Radio said a large number of Chinese "hooligans" and border police crossed into Vietnamese territory, killed two Vietnamese border guards and wounded 25 Vietnamese.

China's Hsinhua news agency said four Chinese were killed and dozens seriously injured. It said the incident occurred at Yu Yi Kuan, the "Friendship" border gate on the Vietnamese side of the China-Vietnam border.

Hanoi Radio said the incident occurred when Vietnamese border guards and members of the "Fatherland Front" were helping ethnic Chinese stranded at the border area return to their homes in Vietnam.

More than 2,000 ethnic Chinese residents of Vietnam were stranded at the gate when China closed its border on July 12, charging that Vietnamese spies entering China pretending to be refugees.

AP-DJ

Syrian soldiers in new clash with Lebanese

BEIRUT, August 25.

SYRIAN TROOPS attacked Christian villages in a mountain area north of Beirut today and first reports said 20 Syrians had been killed, according to Right-wing military officials.

They said the heaviest fighting was reported at Deir Billa, 30 miles from the capital. The Syrians were also shelling other villages in the same district.

The Syrians were reported to be using big helicopters to fly troops and ammunition into the area.

The Right-wing officials said 1,400 men belonging to Syria's special forces had arrived near Bhamdoun, east of Beirut, last week.

President Elias Sarkis was reportedly holding urgent talks with Colonel Sami Al-Khatib, commander of the Syrian-dominated Arab peacekeeping force.

The Right-wing Falangist Radio reported clashes over a wide area in the north and the eastern Bekaa valley, and said there were casualties on both sides.

The clashes follow an uneasy two-week truce between Syrian troops and Right-wing militias.

The radio said the right-wing military command was holding an emergency meeting under former President Camille Chamoun, leader of the National Liberal Party.

It said local civilians were resisting the attacks and that fighting was still going on.

The Syrians had earlier set up new fortified positions and roadblocks in the area, it said.

The reports came amid increasing tension in the north after eight people were killed in an ambush yesterday.

The powerful Falangist party said four of its men were among the dead, and it accused members of a rival Right-wing group led by former President Suleiman Franjieh of being responsible.

Mr. Franjieh's son Tony was among 33 people killed in an attack on the northern mountain resort of Ihden by Falangist militiamen on June 13.

Mr. Franjieh's forces are closely allied with the Syrians.

The State-controlled Damascus Radio today repeated charges that the Right-wingers were attempting to divide Lebanon and set up their own state, and said Syria "will not hesitate for an instant to strike at all persons and forces which seek to wreck Lebanon's unity and its peace process."

There have been no serious clashes between the two sides since an unofficial ceasefire came into effect about two weeks ago, ending savage fighting in the Christian east side of Beirut.

Reuter

Political asylum for Nicaraguan rebels

PANAMA CITY, August 25.

PANAMA said today it had granted political asylum to the 25 Left-wing guerrillas who stormed the national palace in Nicaragua on Tuesday. The guerrillas, who took scores of hostages, flew to Panama last night with 59 sympathisers freed from prison in Nicaragua on their demand.

A Foreign Ministry spokesman said today the guerrillas of the self-styled Sandinist National Liberation Front were still being held at a National Guard barracks at Tinajita, outside Panama City.

The guerrillas said they wished to stay in Panama and continue their campaign against the Government of President Anastasio Somoza, whose family has ruled Nicaragua for 40 years.

Six soldiers died in the 48-hour siege of the national palace in Managua, the Nicaraguan capital. About 40 Congressmen were among the guerrilla hostages held there.

The guerrillas and free prisoners flew to Panama with three Roman Catholic bishops who had acted as mediators.

In Nicaragua, a general strike began today to try to force President Somoza from power, but few workers joined it at the beginning.

Political opponents said the general strike would last until General Somoza falls.

Most shops opened today, public transport was normal and there were no signs of increased security, although there were fewer cars on the streets than usual.

● Swedish business executive Kjell Bjoerk left El Salvador today for Europe via Guatemala after being freed by guerrilla kidnappers who held him for 11 days.

Mr. Bjoerk, head of the local L. M. Ericsson Telecommunications group, said he had been well treated by his abductors.

He said he did not know how much money was paid for his release.

Reuter

Romania answers attacks

VIENNA, August 25.

ROMANIA TODAY attempted to soothe Moscow's alarm over President Nicolae Ceausescu's growing friendship with China, but said still closer ties were planned.

The ruling Romanian Communist Party wanted good relations with all Communist countries, the official Bucharest newspaper Scinteia said in a long editorial keyed to Chinese leader Hua Kuo-feng's current Balkan tour.

The editorial appeared to be answering Soviet Press attacks on Mr. Hua, who spent five days in Romania last week before starting a visit to Yugoslavia. In both countries, he spoke out against "hegemony," the code-word Peking uses to assail Soviet diplomacy in Europe and Asia.

"Romania in no way counterposes its relations with some Socialist countries to relations with other Socialist countries," the Romanian newspaper said.

Meanwhile Yugoslavia hit back today at Soviet criticism of its Press coverage of the visit by Chinese leader Hua Kuo-feng and said this country was not going to get involved in the Sino-Soviet dispute.

The Yugoslav counter-attack came as Mr. Hua arrived in the Croation capital of Zagreb at the end of a tour of the Yugoslav republics after official talks in Belgrade.

Mr. Hua was greeted by a cheering crowd of about 200,000

Reuter

Cardinals in ceremonial robes and mitres attend Mass in St. Peter's basilica before entering the Sistine Chapel for the election of Pope.

Japan to take tough line on hijacking

By Charles Smith

TOKYO, August 25.

JAPAN INTENDS to adopt a tougher attitude towards the handling of international hijacking incidents in future, probably rejecting hijackers' demands at the risk of hostages' lives.

This is implied in a policy document on measures for the prevention of international terrorism approved today by a special Cabinet committee.

The document contains three clauses of which the first expresses support for the anti-hijacking resolution agreed at the recent Bonn summit while the last two lay down a general framework for the handling of future hijack incidents by Japan.

The second clause, which appears to be the nub of the new policy, acknowledges the need to make "every effort" to preserve human life during hijack incidents but then goes on to stress the importance of "standing firmly against the illegal demands of criminals" and "preserving law and order."

This is in contrast with the Japanese Government's previous posture which placed overwhelming and exclusive stress on the preservation of life.

A final clause calls for public understanding and co-operation in the execution of the new policies—an admission that the tougher stance towards hijackers may not necessarily be popular with public opinion.

Japan attracted international criticism for its handling of last autumn's Dacca hijacking incident when Red Army Faction members took over Japan Air Lines aircraft and threatened to blow it up unless the Government paid a $6m ransom and released specifically identified Red Army members from Japanese prisons.

The Government accepted the hijackers' demands and arranged for them to be flown to Algeria along with the released prisoners

● Japan plans to form a 166-member police task force next year to protect nuclear facilities from guerrilla attacks, Reuter reports. Japan's 34 nuclear power plants and research institutes are currently protected by unarmed private security guards.

Canadians curb energy prices

BY OUR OWN CORRESPONDENT

TORONTO, August 25.

CANADA'S Finance Minister, Mr. Jean Chretien, has announced a massive restructuring of federal social priorities in a series of moves designed to limit energy prices.

The overall effect of the package is balanced. Spending cuts are offset by tax cuts and increased spending in other areas. The Finance Minister still expects the budget deficit in the current year will be $11.8bn.

On the social side, cuts will be made in the universal monthly payments to families with children and the unemployment insurance scheme will be tightened up. This will save $620m a year.

But some of the savings will be used to finance a $20 a month increase to most old age pensioners and a refundable tax credit programme to low and middle-income families with children.

On the energy side, the Government has reduced by 3 cents a gallon the special excise tax on gasoline. This will almost fully offset a 3.5 cents a gallon increase in retail gasoline prices expected shortly because of a $1 a barrel increase in the domestic price of crude oil granted the industry on July 1.

Furthermore, the next increase in the crude oil price, scheduled for January 1, will be cancelled, subject to negotiation with the oil-producing provinces.

The Government also plans to deregulate the price of natural gas, now pegged at 85 per cent of the price of crude oil on an energy equivalent basis.

The goal of the gas price deregulation would be a drop in natural gas prices to make them more competitive with fuel oil, thus encouraging the substitution of domestic natural gas for imported crude oil in Eastern Canadian markets.

The province of Alberta, which produces the largest proportion of Canada's crude oil and natural gas, is expected to oppose the limits on energy prices, particularly as the increased volumes of gas it might sell would not offset price declines. At the moment, natural gas is in surplus supply.

The measures were the second major economic policy announcement this month from the Federal Government, which must face the electorate this autumn or next spring.

Earlier this month, Mr Pierre Trudeau, the Prime Minister, announced spending cuts of $2bn in an unexpected television address.

Airline closed by strike

MONTREAL, August 25.

AIR CANADA announced today it was shutting down "for an indefinite period" immediately because of walkouts by ground workers.

Strike action by members of the International Association of Machinists and Aerospace Workers in most major centres across Canada began late yesterday following announcement of a vote result showing that a majority of workers had rejected a tentative agreement reached between their union and Air Canada.

The agreement was the second to be rejected by the 7,500 workers.

Air Canada president Claude Taylor said the walkouts made it impossible to continue operations and any resumption of service would depend on firm assurances that there would be no further disruptions.

He could not predict when Air Canada would be operating again.

AP-DJ

Dutch tank order expected soon

BY CHARLES BATCHELOR

AMSTERDAM, August 25.

HOLLARD IS to decide within the next few months whether to place a Fl 2bn order for up to 500 tanks with West Germany or with the U.S. Holland will be the first country to replace tanks now in use and the Dutch decision is expected to significantly influence a number of other Nato countries.

The two types under consideration are the Leopard 2 built by Krauss-Maffei of Munich, and the XM-1 built by Chrysler Corporation of the U.S. A Chrysler delegation has been in The Hague this week for discussions, a Defence Ministry spokesman said.

Krauss-Maffei is ahead of the U.S. company and made a provisional offer earlier this year. This offer is now being redrawn to take account of compensation orders which would be placed with Dutch industry.

The Dutch tank requirement is relatively small — between 400 and 500 depending on the extent to which tanks are replaced by other anti-tank weapons — compared with the 1,800 West Germany will require, and the 7,000 needed by the U.S.

But the Dutch reputation for technical expertise and "for watching our wallets" will be an important influence on other Nato members, the defence spokesman noted. With the exception of the UK and France, other Nato countries may well follow the lead set by Holland.

The larger production run is expected to make the U.K. tank cheaper although the estimated cost of each is in the region of Fl 2-4bn. But Krauss-Maffei has apparently offered 100 per cent compensation orders in the form of co-production of the tank and other high technology orders for Dutch industry. Details of Chrysler's compensation offer, if any, are not known.

Eritreans claim victory

BY JAMES BUXTON

ERITREAN guerrillas say they are inflicting heavy casualties on Ethiopian forces in Eritrea in ambushes and raids on roads between the towns which Government forces have reoccupied in the past few weeks.

They claim to have killed 5,000 Ethiopian troops since the Ethiopian offensive began in mid-June.

Dr. Habte Tesfamrian, a spokesman for the Eritrean Liberation Front, said in London yesterday that the guerrillas had not been able to withstand the Ethiopian attack with conventional warfare, but had a natural advantage in guerrilla operations.

Cardinals in seclusion for Papal election

By Paul Betts

AT PRECISELY 4.30 this afternoon the 111 Cardinals who will choose the next Pope entered the Sistine Chapel in the Vatican. As the solemn procession went in the Cardinals, clad in red vestments, chanted the Veni Creator Spiritus.

After the cry "extra omnes"—all out—the Cardinal Electors were locked inside the conclave area of the Vatican Palace. Here, in simplicity and secrecy, they will remain secluded from the outside world until they have chosen a successor to Pope Paul VI, who died at the beginning of this month. A white smoke signal from a small chimney on top of the Sistine Chapel will announce the election of the new Pope.

In his sermon during the traditional pre-conclave mass "pro eligendo papa" concelebrated by all the Cardinals, Jean Cardinal Villot, the French Vatican Secretary of State whom some regard as a possible successor, noted this morning that never had so many Cardinals from so many parts of the world taken part in a Papal election.

The Cardinals—56 from both Western and Eastern Europe, 13 from Asia and Australia, 30 from North and South America, and 12 from Africa—will start voting tomorrow. A two-thirds majority plus one is necessary for successful election, but after a prolonged deadlock and three pauses for prayer a simple majority plus one is deemed sufficient.

Although the election of a Pope is different from any other election in that candidates are supposed to remain well out of the limelight, Cardinals have nonetheless already held numerous consultations. In their respective pre-conclave declarations, some Cardinals have indicated that this is perhaps the most open and difficult election in the history of the Roman Catholic Church.

No clear candidate has so far emerged, and another Italian is expected to be chosen although this is no longer inevitable. What makes the election particularly difficult is that there are three clear blocks within the conclave composed of moderates, progressives and conservatives.

Although it does seem as if the election could take some time, no election in the past 100 years has lasted more than four days.

Swiss plan to boost tourism

By John Wicks

ZURICH, August 25.

FORWARD TRANSACTIONS on the foreign exchange markets may be made as a contribution to stabilising exchange rates for the Swiss tourist industry. Basic agreement on this possibility has been reached at talks between representatives of the tourist business and of the Federal Ministry of Finance in Berne.

The Swiss Tourism Federation, which wants to offer foreign travel operators holiday arrangements at guaranteed sums in their own national currencies, says that ways will now be investigated to offer forward foreign exchange facilities to the small-scale undertakings of the tourist industry.

A possibility would be national bank-backed forward transactions similar to those offered to the watch, textile and clothing industry.

Ideas for a "tourist franc" have been dropped, since this would have meant splitting the Swiss exchange rate.

New coalition bid in Iceland

REYKJAVIK, August 25.

LEFT-WING LEADER Olafur Johannesson today agreed to try to form a new Government to end Iceland's two-month-old political crisis.

He accepted the task at a meeting with President Kristjan Eldjarn a day after Marxist leader Ludvik Josefsson abandoned an attempt to form a coalition.

Mr. Johannesson indicated he would seek the same coalition of Marxists, Social Democrats, and his own Centre Progressives and immediately began talks with leaders of the three parties.

Iceland has had a caretaker government since General Elections on June 25 in which Left-wingers made big gains.

Reuter

Iraq-Turkey oil accord

ANKARA, August 25.

IRAQ AGREED today to resume petroleum shipments to Turkey in return for repayment of a debt owed by Turkey for previous oil purchases, Turkish Energy Minister Deniz Baykal disclosed.

Iraq halted the shipments last January because of the $380m debt. Mr. Baykal said Turkey would make the repayment with exports, primarily of wheat and 400 passenger buses.

Mr. Baykal declined to elaborate on details of the repayment schedule, but official sources said the debt would be cleared up by the end of 1981. Earlier it was reported that some of the debt could be repaid in cash.

Turkey will ship Iraq 400,000 tons of wheat by the end of 1979, and 300,000 tons both in 1980 and 1981.

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Poverty, pollution and crime mar the charms of Brazil's urban hub, writes **Diana Smith**

A Paradise Lost: Rio's industrial and social scars

IN JUST 30 years, Rio de Janeiro has changed from an earthly paradise into a sprawling concrete jungle of apartment and office blocks, interwoven with motorways, vehicle-jammed avenues and streets, grasping at every inch of available space and filling it with a building or a car.

The Bay of Guanabara, along which Rio curves, is literally dying. Years of untreated sewage have poured into its waters and are blocking the natural outlets, killing the water fauna and the flora along its shores. As industrialisation spreads (despite official attempts at control), industrial and domestic waste is creating a poisonous, disease-breeding silt that is choking the bay.

In the next 15 years, over $500m will be invested in new sewage systems and treatment stations in the hope of resuscitating the bay and making Rio a healthier place to live in.

At the moment, most of Rio's sewers are indistinguishable from its storm drains and, on the occasional rainy day, this is not a city where one cares to wade through puddles.

On a dry day, when the wind travels inland from Guanabara Bay, the stench is almost overwhelming. There is nothing to do but hope the wind will swiftly change direction.

Rio's modern architecture is not ugly, and in some cases it is really handsome. The problem is that there is too much of it. Green spaces, cozy old buildings surrounded by patches of garden, small comfortable houses where the less well-off can live reasonably—all these have succumbed to the earth-movers, bulldozers and the tower blocks.

Although Brazil's capital was moved from Rio to Brasilia in 1960, the city is still a magnet for trade, banking, shipping and new industry. Its population has therefore continued to soar—at 4.5 per cent a year in the sixties, and at close to 4 per cent since 1970. With 7m people in Metropolitan Rio and 10m in Greater Rio, the city's housing, transport, and utilities have been put under almost unbearable strain.

Among the city's many shortcomings, the telephone system is appalling. Whole sections of Rio are plunged into telephone silence at regular intervals.

New customers pay their deposits, then wait months for a telephone to be installed. It may take seven, eight or nine attempts to dial a correct number. One is then often cut off in mid-conversation and has to start the whole process again.

The streets of central Rio, the business hub, are pocked with mysterious holes, pits and craters dug by one utility company or another and then abandoned for months on end as traffic and pedestrian hazards.

Rio exudes an air of prosperity in the business and many residential areas. The shops are well stocked with a wide variety of goods. Cafes and restaurants are full (although it is hard to eat out, even at a cheap cafe, for less than £3 a head. In an expensive restaurant prices mount to at least £12. Cinemas, showing the most recent Hollywood or European productions are packed, weekdays and weekends. The streets—and pavements—are choked with new cars.

Rio's wealthier citizens are extremely wealthy. They live in a style and comfort which much of Europe has forgotten. Face-lifts and psychoanalysis, lavish dinners (avidly reported in the gossip columns), huge parties, country clubs and nights at the opera in full regalia are part of the social routines.

Rio's rich are so visibly rich—the contrast between them and Rio's poor is stark. It is not difficult to walk down a street of new apartment blocks straight into a shanty town.

Provided their salaries can stretch far enough, the white collar classes can also live well and enjoy themselves. The range of opportunities for self-betterment is still wide as long as one starts with reasonable qualifications and contacts.

Inflation (running at an official annual rate of over 38 per cent) taxes, rents and the price of beer, are the source of the same middle-class grumbles heard around the world. But those who work for the right employers will not do too badly.

Rio's rich are so visibly rich, and its middle-class is so apparently comfortable, the contrast between them and Rio's poor is clearly marked.

The rate of unemployment in Rio is very low, just as it is in other major Brazilian cities. This, however, masks the real problem—that over a third of the city's breadwinners earn only the national minimum wage of £50 a month—and that this group has the largest, neediest families—sometimes with seven, eight or more children.

Wives may supplement the family income working as maids. Teenage children may work as errand boys. But the poverty is still striking. With the new welfare structures there are family allowances (intelligently tied to compulsory vaccination and inoculation of infants against major diseases) and other subsidies—but still the poverty prevails.

It is not difficult, in a residential area of Rio, to walk down a street of new apartment blocks lined with trees or potted shrubbery and straight into the beginings of a shanty-town, or "favela."

Residents of the "favelas" are more often than not wage-earners who cannot afford the rents charged even for modest housing—£60 a month or more. Their living conditions would shock the average British worker—homes patched together from every imaginable sort of raw material, from tin to wood to rags. Sanitation, where it exists, is rudimentary, there is often no running water and alleys swarm with mangy animals and ragged children.

While homes often go without water, they rarely lack electricity, so televisions can be found in scores of houses—which presents a strange set of priorities to the Western visitor.

Efforts have repeatedly been made to rehouse "favela" dwellers, but these are resisted, apparently for fear that their tight and self-protecting communities will be broken up and replaced by something more impersonal.

Although the "favelas" breed an admirable sense of family or group feeling, they also breed crime. This is mostly juvenile crime, often violent and often drug related ("favela" youths act as dealers in small areas for "maconha," Brazil's version of pot, or harder drugs).

The ease with which a youth can lay hands on—and use—a 38 calibre revolver is also deeply worrying. Rio has to cope with about four or five murders a day—crimes of passion, robbery, shoot-outs or gang warfare.

There are dozens of car thefts, burglaries, muggings, petty thefts, or major raids on restaurants, jewellery stores or other commercial premises. Bus-drivers and night-time travellers are held up, kidnappings are frequent, and "football match arguments often spill over into violence.

There is nothing novel about Rio's problems. They are endemic wherever you find overcrowding, social inequality and large families living on excessively small incomes.

But one aspect is specifically Brazilian. The authorities insist that the famed death squadrons which wiped out common or political criminals with savage methods no longer exist. But the police force is grossly-underpaid, and thus open to a variety of temptations. Police are often brutal during arrests or questioning, and often seem to go for small fry (especially in the drug world) rather than the bigger fish. On the whole, the people neither trust the police nor choose to report crimes to them.

Rio's police authorities have tried hard, in the last couple of years, to improve their image by improving the calibre of police recruits but there is a long way to go.

Meanwhile, the impression lingers that Rio is a city trying to find itself, and sometimes losing itself in the process. It epitomises consumerism—to the extent that its major television networks seem to carry more commercials than programmes.

It is a city with over half the population under 25 years of age—seeking immediate satisfaction by legal or illegal means, often noisily-self centred, sometimes violent. It is—like all of Brazil—obsessed with football, local or national, played for fun or profit on every vacant lot or open space.

During the World Cup in June, football took precedence over business, Government, traffic and even crime—so obsessive was national interest. The first announcement of Pope Paul's death was made during a televised football match by a football commentator. The match was not interrupted. Football, it seems, is the opium of the people, with television the means by which it is dispensed.

Christ figure overlooks Rio de Janeiro

HOME NEWS

Japan to sign jet leasing deal with British Airways

BY LYNTON McLAIN

BRITISH AIRWAYS is to become the first customer of a £260m aircraft leasing programme launched by Japan as part of its drive to increase imports by £2bn and cut its huge trade surplus with the rest of the world.

The airline is to lease a Boeing 747 Jumbo jet from a group of Japanese companies formed to import up to 35 aircraft, possibly including eight European A300 Airbuses.

So far, 21 overseas airlines have applied to the Japan Leasing Corporation to lease the aircraft, but British Airways has clearly moved the fastest in securing a 10-year contract to be signed in Tokyo on Monday.

The aircraft would be delivered to Britain on Friday.

The contract is understood to be worth £23.3m. Interest is at 8 per cent.

The Japanese Government last month agreed to back the emergency importation of aircraft worth up to a total of £260m for subsequent leasing to world airlines.

The Government in Tokyo, through the Export-Import Bank of Japan, provides foreign currency loans at only 6 per cent interest to companies such as the Japan Leasing Corporation for imports of aircraft, uranium, oil and other commodities supplied by Western industrial countries.

The leasing corporation said that other Japanese companies involved in the British Airways contract included C. Itoh, Nissho-Iwai and Olyent Leasing.

Foreign currency loans for emergency imports reached $47.1m last month, the Export-Import Bank of Japan said in Tokyo. The loans were for imports of nickel and nickel ore from New Caledonia and iron ore pellets from Australia.

British Airways said last night that leasing was a form of finance that suited the airline and one which had been used before.

All lease agreements had to be approved by the British Government. The jumbo jet contract had been approved, but further contracts would depend on obtaining favourable terms.

Lloyd's of London suspends brokers

BY JOHN MOORE

D. O. HOWELL, a Lloyd's of London insurance broking company, has been suspended from placing business at Lloyd's after the disclosure of irregularities surrounding a substantial number of commercial motor policies.

Lloyd's said last night that D. O. Howell (UK), a subsidiary of D. O. Howell and Company, had "issued extensions which purport to include accidental damage fire and theft to a substantial number of mainly third party commercial motor policies.

"Assureds holding these policies are being advised that it is doubtful whether proper insurance cover exists for these extensions."

Only a small number of the doubtful extensions have been issued in conjunction with a Lloyd's third party motor policy. The rump have been issued on insurance company policies.

hWile Lloyd's said last night that it intended to "safeguard" the interests of those policyholders who had been insured under the doubtful extensions, the attitude of the insurance companies was less celar.

Lloyd's took its decision to suspend D. C. Howell after an emergency meeting of its 16-strong committee on Tuesday. It delayed putting out any statement until yesterday because there were attempts to organise an 11th-hour rescue operation for the policyholders involved to be mounted between Lloyd's and the insurance companies.

However, it is understood that the insurance companies were reluctant to participate in the scheme. It is not known what figures are involved in terms of premium and the value of the doubtful cover.

In its last reported figures for the year ending 1976, D. O. Howell made £37,800 pre-tax profit on earned brokerage of £281,000.

Mr. David Howell, the company's chairman, said last night that it was regretted that D. O. Howell (UK), "which is 70 per cent owned by D. O. Howell, has issued extensions" to third party motor policies.

"It has been found that this cover was not insured in the market. This was unknown to the parent company and the majority of the board of D. O. Howell (UK)."

In spite of strenuous attempts by the parent company "and every assistance from leading figures in the insurance market, replacement cover has proved impossible in the majority of cases at the present time."

This is the second suspension of a Lloyd's broker this year. Armour Hick and Parker was suspended after it met financial difficulties.

Another Lloyd's problem was also considered at Tuesday's emergency meeting concerning the suspended Lloyd's underwriting syndicate headed by Mr. Frederick Sasse.

The syndicate is already in litigation with a Brazilian reinsurance group over reinsurance on 1,300 fire and damage to property risks in North America.

Now new and significant fire losses have fallen on the syndicate in claims arising on other insurance business in Canada. The Canadian insurance business was placed with the syndicate by Brentnall Beard, a Lloyd's broker whose affairs are to be the subject of a Lloyd's inquiry.

Colour TV imports rising sharply

BY JOHN LLOYD

IMPORTS OF colour television sets have risen sharply over the past year, although British production still exceeds the level of imports. Imports of black and white sets are down on the equivalent period last year.

Figures from the British Radio Equipment Manufacturers' Association show that deliveries of colour TVs in June totalled 141,000, against 140,000 in May and up, too, on the 118,000 delivered in June last year.

Imports for June stood at 28,000, well up on last June's figure of 16,000 but down on the May 1978 figure of 33,000.

Over the first half of this year, deliveries of colour TVs totalled nearly 700,000, of which 532,000, or 81 per cent, were manufactured by association members (including foreign companies with manufacturing bases here).

First-half deliveries of black and white sets exceeded 530,000, of which 325,000, or 61 per cent, were made by association members.

Total June deliveries of black and white sets were 98,000, against 71,000 in May and 87,000 in June last year.

Imports accounted for 36,000 of the June total, against 27,000 in May and 46,000 in June last year.

Sheffield Council seeks new mark for cutlery

FINANCIAL TIMES REPORTER

SHEFFIELD COUNCIL leaders are hoping for imminent Government action on a new cutlery marking after unanimous support from the industry for a strategy to beat an import threat.

Mr. Roy Hattersley, Prices Secretary and a former Sheffield councillor, is expected to receive a joint industry delegation next Friday which will call for all cutlery in this country to carry a mark of origin, the country where the blank was formed.

That would stop the present practice of imported Far Eastern blanks finished and silver plated in the city, from being marked "Made in Sheffield" or "Made in Britain," which has been blamed for destroying traditional skills and jobs.

The practice has developed because of the vague terminology of the Trade Descriptions Act. The country of origin is at present where a product last underwent a substantial change, but that is left undefined.

Mr. Hattersley, who holds the power to make the definition, has privately expressed willingness to act but he has demanded unity from the traditionally divided industry.

A Sheffield Council initiative has achieved that at a meeting which thrashed out agreement between the Federation of British Cutlery Manufacturers, the Cutlery and Silverware Association, cutlery unions, the Master Cutlers and councillors.

The pro-British federation has been calling for such a move since it was formed less than a year ago but the long-established association, which includes some importers, had not reached an agreed definition of substantial change and gave a warning against any hasty or emotive decision which could have wide ranging repercussions not only for cutlery but for many other industries.

The results of the meeting are subject to final approval from all parties involved by the end of next week but council leaders are confident there will be no change to their plans.

Although silver plating and finishing can more than double the value of the landed blank, Cllr. Clive Betts, industrial developments committee chairman, said that the committee had decided against an added value definition of substantial change because it was too variable and open to manipulation.

The new marking regulation would also identify for the consumer the vast amounts of finished imported cutlery which at present do not need to carry a mark of origin if not sold under a British trademark.

Another big closure planned by Burton

BY RHYS DAVID, NORTHERN CORRESPONDENT

ANOTHER BIG closure in its manufacturing operations is planned by the Burton group, bringing to more than 4,000 the total of redundancies over the past 18 months.

The group has told unions that it will trim its labour force in manufacturing to about 2,700 from the present 3,600 with the brunt of the loss likely to fall on its Oldham factory employing 700 people on made-to-measure suits.

The other redundancies will affect Doncaster, where the labour force of about 450 is being cut by about a third because of lower-than-expected sales of trousers, and Leeds, where a unit making made-to-measure waistcoats is to be closed.

The latest closures are a further attempt by Burton to bring manufacturing into line with its now greatly changed retail operations and, according to Mr. Cyril Spencer, group chief executive, should be the last cuts.

With the decline in demand in the High Street for made-to-measure suits, the company already has shut more than 90 shops and converted the remainder to sell clothes directed to a younger, more fashionable market, interested in more casual garments.

The company's Jackson subsidiary also has been cut substantially and a new chain of Top Man shops, modelled on the group's successful Top Shop women's wear operation, has been started.

The latest closures reduce Burton's stake in made-to-measure to one unit at Walkden, Lancashire, employing about 700 people with the remainder of its clothing labour force—about 2,000—working on ready-to-wear at factories in Goole, Guisborough and Doncaster.

More home news on Page 15

Closure of the waistcoat unit at Leeds severs the link with made-to-measure at the company's huge Hudson Road headquarters which once employed 10,000 people. The plant will continue to operate as a warehouse and distribution base as as well as administrative headquarters.

The Leeds factory remains the main cutting centre for the company's ready-to-wear clothing production unit. The company installed computer-controlled pattern preparation there two years ago and is to introduce a new Gerber computerised cutting machine from the U.S. as the second phase in a £500,000 investment programme.

Introduction of the new equipment has been responsible for the loss of a small number of cutting jobs at Doncaster and Leeds under the latest rationalisation.

The company said yesterday that it hoped some of the job losses would be accounted for by natural wastage and there would be limited opportunities for transfer to other plants.

Some increase in employment would take place at Walkden because of the decision to concentrate all made-to-measure at the plant. There could be extra jobs at Goole and Guisborough.

Burton insists that it remains committed to made-to-measure in spite of the further cuts. It claims to be still the biggest UK made-to-measure tailor and says it still promotes made-to-measure in its branches.

Foot gives warning on jobless

By Richard Evans, Lobby Editor

A WARNING that the economic policies advocated by Sir Keith Joseph, Mrs. Thatcher's leading policy adviser, would lead to massive unemployment of the scale of the 1930s, was given last night by Mr. Michael Foot, leader of the Commons.

It was the first shot in a Labour campaign against the policies presented by Sir Keith that seems certain to be at the centre of the forthcoming election campaign.

Profits

For as well as refuting Sir Keith's ideas, Mr. Foot sought to drive a wedge between the monetarists and *laissez faire* members of the shadow Cabinet and Mr. James Prior, Mr. Edward Heath and Mr. Peter Walker on the "moderate" wing of the Tory party.

Sir Keith said in a major economic speech on Thursday that the key to fuller employment was greater flexibility in wage bargaining, higher priority for profits and the encouragement of entrepreneurs.

Mr. Foot said in Tredegar that what Sir Keith proposed was a return to the 1930s when the unemployment figure was hardly ever less than 2m and was often above the 3m mark.

A similar message came from Mr. Joel Barnett, Chief Secretary to the Treasury, in a speech in his Lancashire constituency.

IBM meets trouble over green belt scheme for offices

BY OUR NORTHERN CORRESPONDENT

IBM, the U.S. computer group, is in the middle of a dispute over plans to develop a new northern regional headquarters in the green belt around greater Manchester's most prosperous suburb.

The company has applied for planning permission to develop 20 acres on a 100-acre farmland site owned by the Church Commissioners at Bowdon, in the borough of Trafford, but the scheme has provoked strong opposition from local residents.

IBM proposes to transfer about 400 staff in three different buildings in Sale, several miles away, to the new office and expects total employment to climb to about 600.

For planning purposes, a top figure of 1,000 has been put on the eventual total employment at the site, which would act as a marketing support centre for IBM activities in the whole of the North of England and Scotland.

The company has given assurances that it would not want to go beyond the acreage envisaged for the development and says that, although it would be encroaching on green belt, it would be returning a slightly larger adjoining acreage now designated for development to green belt status.

In a bid to allay fears over the proposed two-storey complex, IBM has also been pointing out the architectural awards its existing buildings have won.

Local residents, however, fearing increased traffic and other intrusions into the green belt if IBM succeeds, have nevertheless condemned the plan.

The company says that it chose Bowdon because of its proximity to Manchester airport and the motorway network. There are other sites as accessible, however, and IBM's choice clearly owes much to the fact that it is the sort of place where the company would have no difficulty in attracting highly-paid staff to live and work.

The IBM application will go before Trafford council in October and eventually to the Greater Manchester Council, the strategic planning authority for the area.

The attitude of the two authorities has yet to be made known, although Cheshire has disappointed local objectors by declining to support their case.

For Greater Manchester, the application is bound to create something of a dilemma. The area likes to think of itself as Britain's computer capital and is using the existence of widespread computer activities in the area as an argument in favour of locating INMOS, the National Enterprise Board's proposed micro-processing project, there.

Clearly with IBM added to the list it could point to a further example of its drawing power, but if it backs IBM's case it risks encountering strong local political opposition.

Motor cycle enthusiasts head for Earls Court

By Michael Cassell

THE BIGGEST international motorcycle show to be held in London for 10 years opens its doors to the public at Earls Court today.

The exhibition comes at a time when motorcycle sales in the UK are running at about 250,000 a year—one of the highest levels since the 1950s—and organisers are expecting more than 130,000 two-wheel enthusiasts from home and overseas to attend the eight-day event.

Traditionally, the London show has been overshadowed by the Cologne exhibition which follows shortly afterwards, but the status of the London event has now clearly risen because of the markets' revival.

Manufacturers such as BMW of West Germany and Honda of Japan have chosen Earls Court to unveil new machines for the first time, while several other machines will be having their British debut.

Japan's domination of both the British and international motorcycle scene is more than apparent: from Honda's silver barrage balloon which hovers high above the Earls Court building to the succession of stands carrying names that even sound fast, such as Yamaha, Suzuki and Kawasaki.

Rising

The Italians, in the form of manufacturers like Ducati and Moto Guzzi, are also well represented and keen to push up sales in a UK market now worth £100m a year and rising.

It is the combined efforts of manufacturers like the Japanese and the Italians which have killed off British manufacturers, who were slow to adapt to changing markets in the 1960s and created a situation in which foreign producers account for more than 90 per cent of sales in this country.

The task of waving the battered British flag goes to the Triumph Co-operative at Meriden, which in spite of fresh financial problems, manages to produce about 300 machines a week.

The company is showing its updated range of 750 cc single and twin-carb machines, including its famous Bonneville, which it sells principally to the United States, Australia, Canada and New Zealand.

Terry Kirk

Len Hamilton of Triumph Bonneville—they go to Japan

Triumph is understandably proud of its success in one particular foreign market—Japan. The company is selling about 300 bikes a year to the Japanese, where ownership of a Triumph carries a certain amount of kudos.

The show offers everything to the motorcycle enthusiast, whether he or she is looking for a new crash helmet, a chance to mingle with names such as Mike Hailwood, the former Honda works rider, Kenny Roberts, the new 500cc racing champion, or double world champion Barry Sheene—or to buy a £4,000 superbike capable of 140 mph.

An inevitable attraction will be the world's biggest-capacity motorcycle, the 1350cc Electraglide II from the U.S. company Harley-Davidson, which also has been struggling for survival against Japanese competition.

At the other end of the scale, several Italian manufacturers are offering machines for children aged three and upwards. Models such as the Mini-Prix from Cimatti sell for £225.

Company racehorse wins VAT relief

BY DAVID FREUD

SOME COMPANIES owning racehorses may be able to reclaim value added tax on their upkeep.

A Manchester tribunal has decided that the Hillingdon Shirt Company, based in Lancashire, can reclaim VAT on the purchase price and running costs of its £16,500 racehorse Jonathan Seagull.

This is the first time such a ruling has gone in a company's favour. In the past, tribunals, which are independen bodies, have backed Customs and Excise arguments that here is an etement of entertainment in ownership.

Reclaiming VAT is ruled out in such cases.

Hillingdon argued successfully that the racehorse was owned purely for advertising and promotion purposes, on which VAT could be reclaimed.

A Customs claim that this was a façade and that the horse provided a hobby for the directors was rejected.

Saving

The tribunal said that the ruling should not be regarded as a precedent, but clearly any company that can prove a similar case to Hillingdon's will also be able to reclaim VAT.

Considerable sums of money are involved. Hillingdon has six racehorses, is obtaining two more and estimates an annual saving of £3,000 on running costs alone.

Mr. John Bigg, secretary of the Race Horse Owners' Association, said: "The ruling shows that a company that can prove its case properly can convince the Customs and Excise that advertising in this way is legitimate and that VAT is claimable."

The Customs and Excise commented: "The appeal that the horses were for businesss purposes was allowed.

"The decision was given orally and you will appreciate that the Board of Customs and Excise arguments that there is position until the Tribunal's written decision, which will explain fully the reasons for it, has been issued."

Spotlight on Sunday shop laws

LOCAL AUTHORITY leaders will try to clarify Britain's Sunday trading laws, which vary considerably in different parts of the country.

The Association of Metropolitan Authorities is seeking the views of its members before pressing the Government to review the present Sunday trading laws.

Councillor Jack Moultrie, chairman of the association's general services committee, said yesterday: "The laws on Sunday trading contain so many anomalies and anachronisms that it is very difficult for local authorities to do their job of seeing that the rules are enforced."

In particular, the present laws discriminated against tourists in the country's big cities, which the association represented. Under the Shops Act 1950, shops in seaside resorts selling souvenirs could remain open on a limited number of Sundays each year, but shops in London and other cities had to shut.

Anomalies

"The AMA has been pressing for changes in the Sunday trading laws for years. Each time we point out the anomalies and anachronisms, we are told by the Home Office that a general review is not on because of the opposition likely to be faced by amending legislation," Mr. Moultrie said.

The association had suggested to the Home Office that local authorities should be given wider discretion to ensure a fairer application of the laws in each area.

"A possibility we have in mind is a system of licensing shops open on Sundays. The licensing authority would be able to take account, not only of local needs and opinions, but other factors such as posible traffic nuisance."

Heritage fund 'needed soon'

THE National Heritage Fund—proposed successor to the National Land Fund—should be set up as quickly as possible and its independent trustees should include representatives of the Countryside Commission, says the Commission.

It has written to the Treasury urging the Government to act, by bringing in early legislation, on the Third Report from the Commons Expenditure Committee published in June.

Education guide

A NEW edition of the free eight-page booklet Your Guide to the Inner London Education Authority, has been published. It lists members of the authority, explains the responsibilities of senior officers and inspectors and gives details of its 10 education and careers offices.

LABOUR NEWS

All dock labour at Southampton to go on strike

BY PAULINE CLARK, LABOUR STAFF

THE DOCK labour force in Southampton voted on a walk-out yesterday in the latest of a series of disputes affecting cargo and passenger services.

The decision came at a mass meeting in the morning after employers refused to pay two drivers in the Transport and General Workers' Union who stopped work on Tuesday in a dispute about safety.

A further meeting between shop stewards and the 1,900 dock workers in the port has been called for Tuesday.

Although an informal union approach is believed to have been made to local officials of the Advisory, Conciliation and Arbitration Service, talks over the holiday weekend between strike leaders and employers have not been fixed and union officials were pessimistic last night that a solution could be found in time for Tuesday's meeting.

Port authorities expect about seven scheduled calls over the weekend by large container ships to be cancelled and thousands of passengers arriving and departing in luxury liners, including the QE2, will have to carry their baggage.

The union claims that employers have taken too tough a stand on what originally amounted to a simple row over maintenance on a container straddle carrier.

The two men driving the carrier refused to operate it after claiming that a mechanical fault had led to oil spillage on one of the two 26ft ladders up to the driving cab. They complained that both ladders needed to be in proper working order to comply with safety standards. They were sent home without pay.

Walkout

Proposals for a joint safety committee to look at the carrier were not taken up and by Wednesday, 216 van drivers at the port had walked out in sympathy.

The employers have made known already their fears that the port is in danger of losing the confidence of shippers.

By April, when 500 maintenance engineering workers went on strike over a pay parity demand, it was estimated that the port's losses had mounted to £2m since January because of disputes.

Clothing workers agree on 5%

BY RHYS DAVID

THE CLOTHING Manufacturers' Federation, representing men's and boys' outerwear producers, has reached one of the first national wage agreements within the Government's 5 per cent guideline in talks with the National Union of Tailors and Garment Workers.

The agreement, which has to be ratified by the two sides, will come into effect from September 22. It will give the 65,000 workers employed by federation members a 5 per cent rise in current earnings and a general earnings fall-back for experienced workers of £40 a week.

Further talks will be held on the circumstances in which the fall-back will operate. A provision has also been made for further discussions if the terms of the Government's White Paper cease to have general acceptance in industry.

The federation is traditionally the first of the clothing groups to conduct pay negotiations, and the pattern has been for federations representing women's wear and other sectors of the trade to settle on broadly similar lines. The British clothing industry employs nearly 300,000 people.

This early success for the wages policy will please the Government, but clothing is not one of Britain's high-paid industries, and its unions are not among those regarded as militant.

Wages have been held down by the pressure exerted on the industry by imports, low productivity and the threat to jobs.

Hourly average earnings in the industry last October were 139.4p for men and 108.1p for women.

Civil Service staff row over 'political attack'

THE Civil and Public Services Association is faced with a revolt by its full-time officials over what they call "a politically motivated attack" by the union's executive committee on the staff.

All but two of the full-time officials walked out of a meeting of the union's executive committee last night in protest at a decision to bar some senior officials from interview panels for the appointment of assistant secretaries and negotiating officers.

The officials said the decision was regarded as "a politically motivated attack on the staffs' conditions of service."

"It is a cynical denial of consultation and a radical interference with the career procedures of full-time officials," they said. The executive's action reflected "the same political strong-arm tactics of which the union's newly-elected Left-wing majority has accused its opponents."

A full meeting of the union's 200 staff will be held next week to discuss detailed plans for fighting the executive decision. "Some form of strike action is inevitable," one official said.

BL assembly workers facing short-time

BY OUR LABOUR STAFF

ABOUT 5,000 BL Cars engine plant workers face at least one month's short-time work because of failure to reach productivity targets on Austin-Morris assembly lines.

Assembly workers have been failing by up to 15 per cent to reach the targets—but the two engine factories at Longbridge, Birmingham, have been turning out nearly 20,000 units a week and there is now a heavy surplus.

Although the day and night workers will each be losing a shift, cutting output by about a quarter, they will not be losing money because of a security of earnings scheme, which guarantees them up to £80 a week. The shorter week will be reviewed in four weeks' time.

All engine production for Austin-Morris is affected, except the new "O" series engine powering the new Princess 2, and expected to be used in a new-look Marina.

● Motor industry troubles were further increased by a walk-out at Rists Wires and Cables, Newcastle-under-Lyme, part of the Lucas organisation.

About 250 of the 1,250 labour force making harnesses for Rover and Ford came out after complaining that their bonuses had been stopped.

Lucas said that the workforce had failed to qualify for third-quarter productivity bonuses because of 18 per cent absenteeism—a problem at holiday periods.

The remainder of the labour force are remaining at work.

Informal talks are being held in an effort to end the unofficial stoppage.

Chrysler union talks about Peugeot deal

BY OUR LABOUR STAFF

SENIOR officials of the nine unions at Chrysler yesterday discussed with leading car component manufacturers the possible impact of the proposed takeover of the company by Peugeot-Citroen.

The meeting, held at the headquarters of Guest Keen and Nettlefold, is part of the wide consultations mounted after the takeover announcement.

The unions are hoping for talks with Peugeot management immediately after the TUC congress next month and then are likely to call a national meeting of officials and shop stewards.

Mr. Moss Evans, general secretary of the Transport and General Workers' Union, who led the union side, said that if the deal went through it was hoped to persuade the new company to buy as much from British component firms as possible. "We are talking about how best we can make sure we have a British car industry and maintain a positive base for it here."

Companies represented at yesterday's meeting included: Lucas, Smith Industries, Rubery Owen, Associated Engineering, Automotive Products, Dunlop, Turner and Newall, Armstrongs and Wilmot-Breeden.

● The strike by millwrights which halted production at Chrysler's Ryton plant was called off last night.

MOTORING

Spacious and sporty

BY STUART MARSHALL

An elegant load carrier. The Lancia Beta HPE looks like a coupé but has the load space and flat rear sill of an estate car

ESTATE cars are square-shaped; hatchbacks are prettier and, most of the time, nearly as useful. The crunch comes when you want to load something as *big and heavy as a grass cutter.*

With an estate, it is easy, with the rear floor being level with the bumper *you simply roll it* up on a couple of well placed planks and drive away. Heavy machinery would probably fit into a hatchback, but most of them have a high rear sill. To try lifting a couple of hundredweight of garden equipment over that is to risk doing yourself a mischief.

There are two honourable exceptions to this rule. One, which I have been driving recently, is the Lancia Beta HPE. The other is the Saab Combi. While the Saab looks purposeful rather than beautiful the Lancia is a fashionable, even elegant car.

HPE stands for high performance estate, which is not a bad description, because it is quick and sporty as well as capacious. The concept of the HPE is much the same as that of the Reliant Scimitar GTE, though the Reliant has a high sill which restricts its usefulness as a beast of burden.

The HPE comes with a choice of 1.6-litre or 2-litre engines and costs £5,277 and £5,710 respectively. Although it looks more like the Beta coupé, the wheelbase and overall length of 14 ft 0½ in are exactly the same as the *Beta saloon's. As a result, it is* quite roomy. The back seat is on the low side and headroom *is not exactly generous, but it* is habitable by three people, at any rate on short journeys. Up front, there is ample space to stretch out in.

The interior *is* trendy, I suppose, but not to my taste at all. The seats are like something by *Astronaut's Couch out of* Michelin Man and I thought their orange and brown trim *looked odd in a navy blue car.* Even with the steering wheel adjusted to its highest position, my knees wouldn't quite fit underneath. The controls and instrumentation are quite good but some of the dials are in an incongruous woodgrain panel set in an otherwise totally plastic fascia.

Although I thought it aesthetically on a par with a quick lunch counter in a motorway service area, the interior has its practical side. The backrests of the rear seat fold down singly or together. With five people in the HPE, there is still room for as much luggage as would go in a small family saloon's boot. Two up, there is space for things up to five feet long on the load floor. By fiddling with the seat cushions and tipping the front seat backrests forward, Lancia say there is even room for two people to sleep in the back, though it is not clear what they are supposed to do with the luggage.

The four-cylinder, twin overhead camshaft engine is mounted crosswise and drives the front wheels through a five-speed gearbox. There is no automatic transmission option at present.

It is a willing engine, developing 100 horsepower at 6,000 r.p.m. and demanding four-star petrol. Consumption varies considerably according to how the HPE is used. On a journey, it will better 30 m.p.g. if driven sensibly, but too much hard acceleration and high speeds in the gears drops the figure to 23-24 m.p.g. The tank holds 11 gallons.

The gearing feels rather low when you are driving on your own but the HPE can carry up to 9 cwt (including driver) and is in no way underpowered when fully loaded. In fifth gear, it is doing only a little over 18 m.p.h. per 1,000 r.p.m. Even so, at a motorway 70 m.p.h. (3,800 r.p.m.) the engine is *smooth and reasonably silent.* At anything over 80 m.p.h. it is beginning to sound hard worked. Given time, the rev. counter needle will go into the red sector at 6,200 r.p.m. on an autobahn downgrade, representing 112 m.p.h. The gearshift is clumsy but the ratios are fine; the 85 m.p.h. fourth is fine for dusting off lines of traffic on a long incline.

The all-round independent suspension gives a firm but pleasing ride; the rack and pinion steering is satisfactorily sharp without being unpleasantly heavy for parking; and the all-disc brakes have ample power assistance.

Low profile radial tyres on handsome alloy wheels help to make the Lancia feel surefooted when driven briskly.

It is difficult to know what to compare the HPE with. Although roomier and more adaptable than a Ford Capri or Renault 15 it is also more expensive. As a load carrier to cut a dash in it is really in a class of its own.

The best black player in the world

GOLF

BEN WRIGHT

LEE ELDER went several steps *further towards* establishing himself as unquestionably the greatest black golfer of all time by winning the American Express Westchester Classic last Sunday evening in New York. His second victory of the season and only his fourth since he came on tour in 1968 earned him $60,000, more than he won in any of his first four years as tournament player and took his total for the season to easily his best-ever—$146,348.

It put him into next month's World Series of Golf—the first black to play in this prestigious *event—and* well along the road towards his goal to become the first black ever to play for his *country. The next Ryder Cup* match is due for September, 1979, at Greenbrier, Virginia, *when the British challengers* may be strengthened by European team members. Needless *to say, Elder's money* winnings are the greatest ever recorded by a black golfer and are close *now to the $½m* mark. Barring accidents, the 44-year-old Elder must in time become the first black golfing millionaire.

I say this conditionally because this chirpy and likeable character was in immense pain in the closing stages of his final round, limping more visibly than usual. Many years ago, Elder injured a knee playing touch-football on a sand lot in the Washington (DC) ghetto, and every year since has had the fluid pumped out at regular intervals to ease the pressure on the joint. But Elder has played so well recently that he has postponed the painful treatment, as would most pro*fessionals in a similar predica*ment. Last weekend, the immense heat can have been *no help to him, and so Elder* was to report to hospital on Monday morning.

What a tremendous run he has just enjoyed. He was 13 under par going into his historic eight holes play-off against Lee Trevino in the Greater Milwaukee Open in early July, in which he prevailed over the man who has been coaching him. He was 9 under when tying for sixth in Philadelphia on re-appearing two weeks later. To be 5 over par and tied for 42nd place at Oakmont in the U.S. PGA Championship was hardly a disgrace. The week following, Rod Funseth had to equal the record aggregate of 20 under par to make Elder's effort in finishing joint second at 16 under look ordinary. In the week before Westchester, Elder was in the top 30 and two more under par at Pleasant Valley, Sutton, Massachusetts.

Elder's victory on Sunday was all the more meritorious because he knew exactly what he had to do to beat Mark Hayes, who had set the target of 9 under par with a final round of 66, an hour earlier with the eventual winner still 6 holes out and then 8 under himself. What's more, Jack Nicklaus (7 under at the time) was playing immediately in front of Elder, and Hubert Green behind in the final trio was also 7 under.

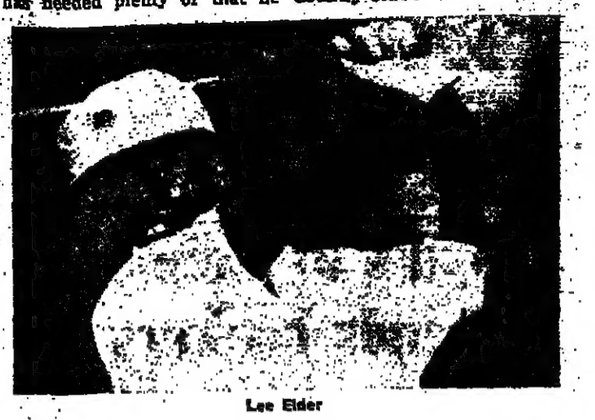
Nicklaus had won twice before and twice been runner-up at Westchester, and, accord*ing to one of Golden Bear* Incorporated's astonishingly intriguing hand-outs, had pre*viously averaged* $17,863 per appearance in ten starts there, averaging 69.05 strokes per *round. The great man was to* hurt his averages, dropping strokes to par at the 13th and 15th holes, to *gain nothing but* a share of ninth place with a lack-lustre round of 72, his *worst of the tournament.*

Elder birdied the 13th, made his pars at the next four holes, *and thus came to the 509 yards* 18th, knowing he had to make a birdie 4 to break the tie with Hayes. The hole swings left round trees and severe rough which had deprived Hayes of a birdie earlier. Elder drove well to the right, but left himself 255 yards to the hole with a cluster of bunkers guarding the front right half of the green. Lee fairly laid into his three wood second shot, but the ball hopped *left*, going uphill into the edge of the *deep* rough beyond the fringe of the green pin high.

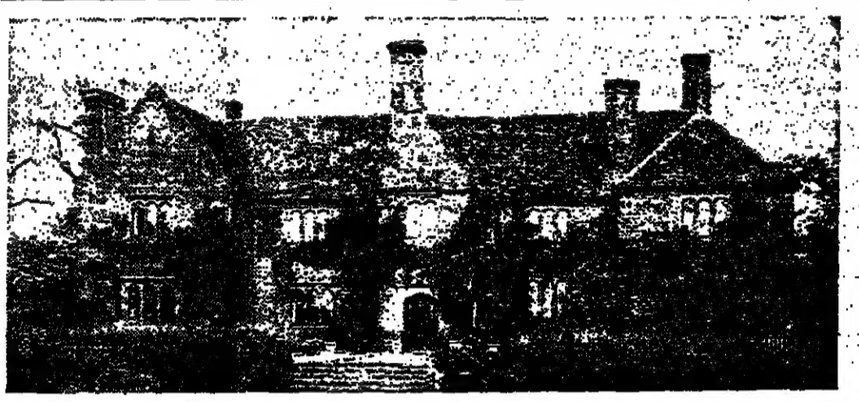
Elder's chip was so perfectly judged with the minimum of delay that his birdie became a formality. But a huge roar had come wafting up from the 16th green, minutes earlier, and now came another from the 17th. Green had birdied the 14th hole to go 8 under, dropped a stroke at the next with 3 putts and the first roar had greeted a glorious long iron shot that had pulled up within a yard of the hole at the 204 yards 16th. Just as he had done at Augusta, Green missed the *vital* putt and, despite a marvellously brave second shot that enabled him to go 8 under again *at the 17th*, he now had to make an eagle 3 to tie. Green had a fling with his driver from the fairway but came off the shot and caught the long grass between the bunkers to the right from which position even a birdie was virtually out of the question—and so it proved.

So Elder reaped a just reward because he was the only one of the contenders to better his position on discovering what he had to do—the acid test of character. But the stocky black has needed plenty of that he finally won his place on the tour at the advanced age of 33. Nor had previous victories come easily. He lost a play-off to Nicklaus at the fifth hole in his first season in the American Golf Classic. He beat Peter Oosterhuis at the fourth hole of a play-off for the Monsanto Open in 1974 that in hindsight was as crushing a blow to the latter as was his failure to win the 1973 Masters. Elder took the 1976 Houston Open when 36 holes were played on Sunday, after Thursday's opening round had been washed out. Yet he had been a member of the first trio on the course that morning, starting 5 shots behind the overnight leaders.

If ever there was the perfect argument in favour of never giving up—here it was. But Elder already knew all about that, having never been in any other predicament in his life. For once, he had the *last* word at Westchester. In his acceptance speech at the prizegiving, he thanked the "Whitechester Country Club!"



Lee Elder



Bride Hall, Ayot St. Lawrence, South Herts, a Jacobean manor house dating from 1630, was the home for *51 years of the historical novelist, biographer and children's author, the late Carola Oman, Lady Lenanton.* The grade II listed house is now on the market through Hampton and Sons who are seeking offers in the region of £200,000.

Rubble, rubble, toil and . . .

EVERY JANUARY there is a mild and promising morning when I wake up early, think "great, spring is coming" and then hit on The Idea.

This year it was "must get a second loo into the house." It is not exactly a new idea but that word "must" is the danger signal. The Idea ferments, it gets mentioned lightly, even airily—a sort of fun thing. Then it takes over.

The house is three-up, three-down in a Fulham, London, terrace and the outside loo housed the garden tools. Whenever there were a lot of guests the lack of the second loo used to niggle, more expressly one on the ground floor.

The idea was floated to a neighbour in January. She responded by saying that an architect, another neighbour, had worked for yet another neighbour who had been well pleased. Nothing like keeping it in the neighbourhood — and with that we were off. Well, put it another way. Tommy would not countenance any demolishing until the weather might be warmer. May 30 in the event.

The gap, however, did mean that various possibilities could be considered, details discussed and agreed and three or four tenders assessed. The architect is your safeguard but it is possible just to have your own

PROPERTY

PAMELA JUDGE

builder, the more so if you can be at home to watch progress. But that is another story. An extension into the garden for about 9 ft. was decided on as this gave space behind that for a new, compact kitchen and behind that (in the old, compact kitchen) room for a shower, loo and a large cupboard. Plus a balcony (over the extension) leading from the back bedroom.

Came the day, came the team and in an hour there was a beautiful, neat large hole where the (old) dining room window had been. And there was our very own skip—quickly filled — *an ornament* that had been lacking in comparison to the other houses around.

Many people are said to be extending their houses now rather than moving. One reason being cost—but since this will vary in every case there is not much point in itemising it. But for anyone who has lived for some time in one place and is going to extend it is one glorious chance to throw things away. It is not so much a chance as a necessity since most of us keep odds and ends "in case it comes in handy." They won't and they don't and here is a real opportunity to be ruthless. It becomes rather enjoyable.

You have to be ruthless because (taking this case) the dining room has to be emptied. Just do an inventory of your dining room and think where *everything would go. Now do* some throwing away. We managed to move the sideboard into the back part of the drawing room without any real bad language. Since most terrace houses tend to have narrow halls, the table was more of a problem but it did not lead to divorce. It's a little odd to have to have one of the storage radiators neatly fitted under the desk, but never mind.

It is even more odd to have quite so many occasional chairs in the bedroom let alone a Florentine cabinet. I haven't been into the middle bedroom for some time but its not where the samovar and the copper coal scuttle would normally sit—if it sounds like an 1880s house it is and I'm beginning to feel like it—let alone all the other bric-a-brac.

It really is a case of batten down the hatches. In my case I sealed the inside of as many *doors as possible* with wide sticky tape and the outside of cupboards which did not *absolutely have to be used.* This is because of the dust. Any friend who has had even a mild amount of brickwork done will warn you of the dust. the architect warns you of the dust the builder mentions it very seriously and then looks to see if you have the faintest idea of what is implied. You won't have. Just wield as much tape as can be crammed into every nook and cranny—but leave yourself some doors! As to carpets—we couldn't have stacked them at home—presumably they can be covered but we happened to be getting rid of some old ones.

That is just the dust from the early works. It is when the plastering is under way that the worst has to be endured. Brick dust is fine and yellow and *shows up well—everywhere.* Plaster dust is pink and more cloggy but it too shows up well. *Plaster dust gets to more places* because there is always an itch at the end of a day to look at *progress and it doesn't matter* what you do some dust travels with you. Cats, of course, have even more *curiosity and just* try and wipe their paws every time. The captains of industry that bring us the vacuum cleaners of today should have statues in their home towns (although they might opt for real money). Reckon to four paper bags full of dust a week.

It took 31 working days for the extension to go up, the flooring to be done, the roofing plus the balcony, wiring and the plastering to be virtually finished. There were no great disasters. The borough surveyor insisted on a wealth of foundations which slightly surprised everyone but at least means another two storeys could be built on top of the extension. A fanlight planned above the door on to the balcony had to be abandoned so the top part of the door has louvred glass. And there was a misunderstanding (quickly cleared up) as to where the power point should go for the cooker.

Again because it is a terrace house, the garden virtually became the building yard. The team were very neat and tidy — *stacks of bricks, heaps of plastic* bagfulls of whatever, piles of timber, RSJs at the outset and the odd trowel and shovel. The weeds were secure and the grass edges have a charm that is all their own.

Rubble, rubble, toil and trubble, dust along at twilight, debris or not debris — having a home extended around your ears brings on a sort of controlled *hysteria*

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THE WEEK IN THE MARKETS

Firmly placed ahead of extended holiday

The market threatened much this week but in the end it achieved very little. Institutional buyers were again evident at the start of the account and after two days the Financial Times Industrial Ordinary Index had risen 10.3 points to a 10-month high. But thereafter buyers went to ground and profit taking left prices lower on a broad front. By the end of the week the Index was little changed on balance although the tone was reasonably firm ahead of the extended holiday.

Asda's bubble bursts

Back in the 1960's Asda's business was described rather unglamorously as that of dairymen, cafe proprietors and pork butchers. But over the last few years it turned out to be one of the stock market's superstars. Between 1968 and 1977 pre-tax profits rose by more than 20 times and in the five years to 1977 earnings grew at an average compound rate of 45 per cent. The star rating was emphasised by the token yield of ½ per cent and a historic earnings multiple of 19 on the eve of the 1977-78 results.

A year ago analysts were confidently predicting that Asda could push its profits up by a third to £30m plus in the year to April 1978. More recently they had been revising their estimates downwards—but few were prepared for the 9½ per cent increase to £26.2m reported this week. At the halfway stage Asda's profits had been 20 per cent ahead, but they stagnated in the second six months. Given the group's track record this performance was not at all impressive and the share price fell by around a tenth over the next couple of days ending the week at 242p.

Asda's key to success in the past has been its string of very large superstores which operated on high volume and offered notably lower prices than the like of Tesco and Sainsbury. However, the outbreak of the high street price war last summer has blunted its competitiveness and despite increasing its selling space by around 8 per cent last year, sales volume increased by less than a tenth.

Since the end of April, Asda has noted an upsurge in sales of the order of 30 per cent and most analysts are once again forecasting profits of well over £30m for 1978/79. But until the interim figures are published the suspicion will remain that Asda's period of super-growth is over. And with their minute yield, the shares could still be short of support.

Calmer waters ahead

Ocean Transport's half year profits have come down with a bang. The depressed state of the world's shipping market is common knowledge but Ocean's announcement this week of interim pre-tax profits of £2.34m, compared with £26.14m, still left the market disappointed. But there were some special factors at work.

There have been major problems in West Africa where port congestion has slowed voyage times dramatically. Also Ocean's stake in OCL was cut last autumn from 49 to 34 per cent and labour disputes could have helped halve OCL's interim profits to something in the region of £14m. Ocean's associate profits fell from £17.48m to £6.65m. Finally, Ocean has taken a £2m loss on disposal of ships compared with a £658,000 profit last year.

However an improvement in Africa and some recovery at OCL will help Ocean make a come back and it is forecasting full year profits of between £9m and £10m compared with £39.08m. Also Ocean is likely to maintain its dividend this year—that caused some sighs of relief in the market—though it is posting a warning bulletin. Future payments will depend upon the continuation of the recently improving trend.

LONDON

ONLOOKER

It is hard to determine the strength of this improving trend as the forecast allows for unquantified losses on five ships which have been sold in the second half.

Ocean may be over the worst but it is hard to get enthusiastic about the medium term outlook, although much has been discounted in the sector's prices. The chart shows how poor the performance has been over the past year, and some analysts will argue that the sector has fallen far enough. Indeed Ocean's share price has shown surprising resilience given the figures, but it does not look like the time to start any serious buying.

Kenyan jitters

Although the news took some time to sink in, Jomo Kenyatta's death earlier this week sent the shivers through those London-quoted stocks with interests in Kenya. The announcement came during trading hours on Tuesday but it took overnight Press comment to emphasise the uncertainty over the country's political future before selling started. Kenya, although not a major investment area for British companies, is important to some international traders for its tea estates and as an outlet for cars, agricultural machinery, components and general merchanting. Hardest hit was Marshall's Universal, which depends on Kenya for up to a third of group sales; its shares dropped 16p to 162p. James Finlay and Co (tea, pharmaceuticals and credit finance) derives around 57 per cent of its profits from the area and the shares slipped from 117p to 110p, but rallied by 2p later in the week.

Kenya accounts for about a quarter of Brooke Bond Liebig's group profits and the shares dropped 4½p to 48p. But here the market was also concerned about the coffee market following the loss of one third of the Brazilian crop. Shares of Lonrho (one fifth of its profits come from Kenya) were steady at 61p but put on 4p later in the week after Press comment. Mitchell Cotts Group eased 1p to 45p. The fixed interest rate market appeared to be unperturbed and Kenya's 5 per cent 1978-82 bonds were little changed at £77.

NEB ventures

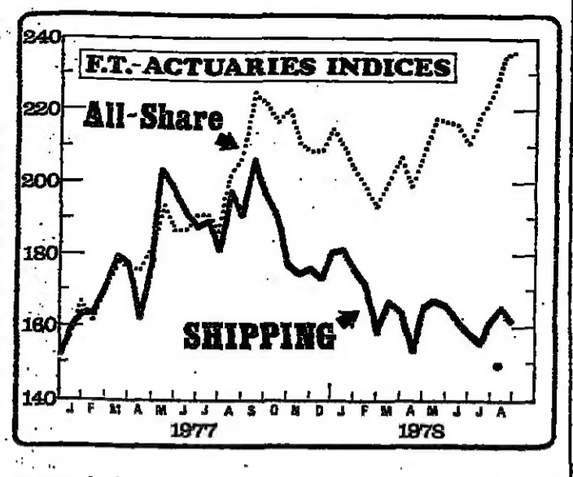
A common theme running through the most recent deals announced by the National Enterprise Board is its increasing involvement in joint venture with private sector finance.

This week the NEB announced two separate joint venture deals involving the Midland and Barclays clearing banks. The Barclays deal involves the rescue of Monotype, a Surrey based printing equipment company while the Midland deal creates £250,000 joint venture scheme to provide finance for small businesses in the North East.

Just over a week ago the NEB announced a joint venture with Industrial and Commercial Finance Corporation to provide new capital for BTR (Engineering).

The complexity of these deals has prompted speculation that the NEB is seeking insurance against a possible unwinding of some of its activities by a future Tory Government. Certainly these schemes would prove difficult to unravel.

However they are only on a modest scale, involving aggregate new capital of under £4m at this stage. Private sector finance seems to be finding the NEB an acceptable partner in risk ventures which previously might not have been thought worthwhile. Clearly the attraction of the NEB to the private sector is that it provides a way of offloading some of the risks, which in isolation the banks and others might have considered to be too high.



U.K. INDICES

Average week to	Aug. 25	Aug. 18	Aug. 11
FINANCIAL TIMES			
Govt. Secs.	70.62	70.99	71.22
Fixed Interest	72.50	72.84	72.84
Indust. Ord.	516.9	511.4	511.5
Gold Mines	178.1	195.6	197.6
Dealings mkd.	5,420	5,407	4,097
FT ACTUARIES			
Capital Gds.	246.53	242.53	239.55
Consumer (Durable)	224.13	220.19	217.98
Cons. (Non-Durable)	222.78	220.02	220.39
Ind. Group	234.50	231.41	230.91
500-Share	258.36	254.07	253.40
Financial Gp.	177.10	176.27	177.53
All-Share	237.41	234.28	234.01
Red. Debs.	57.81	57.49	57.26

THE TOP PERFORMING SECTORS IN THE FOUR WEEKS FROM JULY 27

	% change
Contracting, Construction	+13.2
Lt. Electronics, Radio TV	+12.5
Toys and Games	+10.9
Engineering Contractors	+10.5
Electricals	+10.0
Building Materials	+ 9.4
All-Share Index	+ 5.7

THE WORST PERFORMERS

Textiles	+ 1.4
Breweries	+ 1.3
Household Goods	+ 1.0
Banks	+ 0.9
Shipping	+ 0.8
Newspapers, Publishing	— 0.5

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1978 High	1978 Low	
Ind. Ord. Index	513.4	+ 0.5	523.2	433.4	Reaction after 10-month high
Gold Mines Index	175.9	—10.2	206.6	130.3	U.S. Treasury doubles gold sales
Allied Insulators	65	— 5	76	57	First-half profits setback
Bambers Stores	127	+12	134	31½	Press comment
Brown (J.)	472	—21	495	231	Profit-taking
Burton (A.)	167	+12	167	99	Cont'd. bid speculation
Coalite & Chemical	78	+ 7	79	64	Press comment
Collett Dickenson	85	+10	85	50	Takeover speculation
De Beers Dfd.	422	—20	464	285	Profit-taking after figures
Gripperrods	64	+10	68	37	Results due Wednesday
Guthrie	387	+29	400	211	Revived rumours of pending bid
McKay Securities	265	+ 20	265	145	Prelim. figs./Prop. revaluation
Marshall's Universal	162	—14	180	134	Concern over Kenyan interests
Rank Organisation	281	+24	284	226	Joint TV venture with Toshiba
Restmor	177	+20	190	114	Record profits scrip issue
Ricardo (Engineers)	294	+31	310	107	Market re-rating
United Scientific	379	+31	382	260	Revived speculation
Victor Products	245	+51	250	82	Record profits scrip issue
Vosper	226	+20	230	135	Nationalisation payment hopes
Wholesale Fittings	210	+20	226	122	Favourable Press mention

Still selling on the cheap

AFTER LAST week's flurry of concern and activity over the dollar, investors appeared to be keeping at least half an eye on developments in the foreign exchange markets this week. If the "continuing series of actions" promised by the Administration appears to succeed in lifting the dollar from its sick bed and if the possibility of still higher short-term interest rates is correspondingly reduced, then investors may soon have the edifying prospect of the Dow Jones Industrial Average bursting free of the restraints which keep tugging it back below 900.

NEW YORK

JOHN WYLES

On the evidence of the past few days, the market has not been unsympathetic to the Federal Reserve Board's moves to raise the discount rate and money market rates last week and is still apparently clinging to the view that interest rates will not go much higher. Here it is fervently hoped that the economy will slow substantially in the next few months and thus reduce the volume of credit demands and pressure on interest rates. One straw in the wind was published on Wednesday in the shape of a 5.5 per cent drop in new factory orders for durable goods (cars, trucks, aircraft, missiles, to name but a few. This was not only the steepest drop in three and a-half years but followed declines in June and July. As a pointer this is significant but not conclusive although the President's economic advisers are now reported to be anticipating a 3.5 per cent growth rate next year rather than the 4.3 per cent officially forecast last month.

Despite the stock market's much more buoyant mood it is worth recalling that the Dow Jones Industrial Average is still about 100 points below last year's high and has only recently managed to wipe out the losses suffered since last summer. During this period the economy has breezed along with a real increase of about 4 per cent in gross national product, 5 per cent in industrial output, and over 10 per cent in profits.

Historically, the Dow is still very cheap, selling at around nine times earnings and although a number of growth stocks have recaptured some of their former lustre their p/es of between 12 and 18 are derisory in comparison with a few years ago. Although the likes of Eastman Kodak and IBM have led the rally in the past month, stock buying is extremely broadly based and the bull market in secondary stocks which got under way last year has shown no sgin of running out of steam.

A week in which it seems the American Stock Exchange Index has established a new record and forecasts at the beginning of the year that these secondary stocks would be sold off before a real recovery in the Dow have proved erroneous.

	Close	Change
Monday	888.95	—7.88
Tuesday	892.41	+3.46
Wednesday	897.00	—4.59
Thursday	897.35	+0.35
Friday	895.53	—1.82

Frosty futures

THE POSSIBILITY of frost in Brazil has always greatly concerned the professional coffee trader, and in the past few years, following the country's worst-ever frost in 1975, it has become a matter of great fascination for everybody involved in coffee, whether growing, trading or simply drinking.

It might seem surprising, therefore, that the frost which struck early last week produced such a moderate response on the world market. London futures market prices have since risen £250 to £1,450 a tonne, but this is still well below the near £2,000 a tonne level reached when frost threatened (but did not materialise) in June.

The very mention of Brazilian coffee frost inevitably conjures up memories of the 1975 disaster when the crop was cut from an expected 27m bags (60 kilos each) to a mere 6m, causing world prices to rocket from £400 to £4,000 a tonne.

The difference between the 1975 frost and this year's is largely one of scale. In 1975 the ground froze solid and many coffee trees were destroyed altogether. And many of those that survived lost most of their potential crop of coffee beans. This year's frost was much milder and most of the damage was done by cold winds which "burned" many of the leaves from the trees but left the trees themselves to flourish again.

As a result the 1979-80 crop (this year's growth was already safe from frost) has been cut back sharply, but subsequent crops should not be significantly affected.

The Brazilian Coffee Institute estimates the damage to the next crop at 8.2m bags, taking the expected total down to a little over 16m bags. At the other end of the scale the U.S. Department of Agriculture (which has a good crop forecasting record) puts the loss at only 1.5m bags and the 1979-80 crop at over 20m bags. The obvious disparity between these figures is partly explained by varying original estimates. The IBC had forecast a crop of 24.3m bags while the USDA was more conservative, forecasting a 22m bags total.

COFFEE

RICHARD MOONEY

Even if the IBC's gloomy projection proves correct, the carry-over from next year's crop will pobably be similar to or slightly higher than the 10m bags which the USDA estimated was carried over last June. So the frost will simply have prevented a rise in stocks rather than creating a shortage.

It is impossible, however, to be confident about the supply situation. Brazilian coffee production is still recovering from the 1975 setback so no crop estimate can be based on much more than guesswork. And the picture has been further complicated by a long drought earlier this year, which resulted in widely varying estimates of losses from this year's crop. Moreover, few traders would confidently predict the extent to which the effects of the drought will be carried over into the 1979-80 season.

Any attempt to translate the supply situation into likely world prices is further confused by uncertainties about the demand trend. World demand fell by about 20 per cent as a result of the unprecedented prices sparked off by the 1975 disaster, and coffee consumption was still estimated to be about 15 per cent below 1975 levels in the year to last March. But the current demand level and the rate of recovery remain shrouded in mystery.

Brazilian traders are still very cautious about estimating the size of the country's next coffee crop. Although it should be possible, 10 days after the event, to estimate what percentage of Brazil's 3.1bn trees has been affected it is very difficult to say yet what this means in terms of the next crop, the bulk of which will not be harvested for another nine months, Rio de Janeiro trade sources said yesterday.

The size of the 1979-80 crop will depend very heavily on the weather during the next few weeks, they said, and also on the weather between the flowerings and the harvest.

Sr. Delauro Baumgratz, acting president of the IBC, said he was extremely surprised at the USDA's crop estimate. He said his own organisation's 16.1m bags figure was the result of a "very precise and scientific process." He denied that the IBC figures were "guesstimates" though he admitted they were not final.

Meanwhile, the alarm caused by the frost seems to have given producers extra confidence to seek more favourable terms at next month's London meeting of the International Coffee Council.

At a meeting in Bogota this week Latin American producers agreed to seek a price support range of $1.80-$2.20 a lb. It is not clear what this means precisely but some London traders have assumed that it refers to the trigger price under the current International Coffee Agreement at which quotas come into force. This trigger is currently set at 77.46 cents a lb. Other traders thought the producers might be seeking a support fund under which buffer stock purchases would be made at below $1.80 a lb and sales at above $2.20 a lb. With arabica coffee currently selling at about $1.50 a lb, however, the consensus among London traders is that the producer demands are little more than "pie in the sky."

Making the dollar worth its weight in gold?

THAT SEE-SAW, which has the U.S. dollar sitting at one end and gold at the other, has been heavier at the bullion end this week. Inevitably, the price of gold has fallen under the psychological impact of the news that the U.S. Treasury is to increase the amount of gold offered at its monthly auctions from 300,000 ounces to 750,000 ounces, starting with the November sale.

It is a moot point as to whether selling gold to a world which currently prefers it to the dollar anyway is going to restore much confidence in that currency; the real cure for the dollar's weakness seems not to lie in trying to cover up the symptoms—one of which is the rise in the dollar price of bullion—but in tackling the root causes such as the huge U.S. trade deficit and the rate of inflation there.

The increased offerings of gold, which equal some 250 tonnes in a full year compared with the 1977 total world production of 1,366 tonnes, seem likely to be absorbed without difficulty by the continuing strong industrial demand for the metal. As South Africa's Chamber of Mines has pointed out, demand for gold is expected to increase in the remaining months of the year as jewellers prepare for the Christmas trade.

What is more important, however, is that the increased U.S. sales may form part of a package of measures to be introduced to prop up the dollar. So after rallying from its initial tumble on the U.S. auction news, the price of bullion has slipped back below $200 an ounce on the subsequent disclosure that the U.S. is prepared to draw on its big resources at the International Monetary Fund in order to protect the value of the dollar.

Whether this will do the trick remains to be seen, although it may well hold the price of gold in check for a while. But unless there are more moves to follow in the dollar war, the chances are that gold is not going to suffer a severe fall from grace. Meanwhile, earnings of the gold mines remain buoyant and the sharemarket may be that much healthier after its recent shake-out.

The flight from the dollar has also manifested itself in an increased demand for platinum and diamonds. The price of platinum, for instance, has been climbing on the free market to the extent that the General Mining-Union Corporation groups' Impala Platinum has now decided to increase its "fixed" selling price by $10 to $250 per ounce, this is still below the current free market level of $263.

MINING

KENNETH MARSTON

Similarly, the recent biggest-ever price increase for diamonds of 30 per cent, declared by the Central Selling Organisation, which markets some 85 per cent of world mine output on behalf of De Beers and other producers, has also reflected the fall in the value of the dollar because diamonds are priced in that currency.

In addition, the high demand for diamonds has been boosted by general currency uncertainties. Against this background, the sharp advance in profits for the past half-year of De Beers, announced this week, was confidently expected. They have reached a best-ever R374.7m (£223.6m), or 104 cents per share, which compares with R285.4m a year ago. This interim dividend has been increased by 2½ cents to 20 cents (11.9p).

Following these glad tidings, the Deferred shares of De Beers promptly dropped 25p to 428p. This may not have caused undue consternation to those who took the advice of this column a fortnight ago when with the price at 452p, "and being talked higher against a continuing rosy background," it was suggested that it could be the time to indulge in a little profit-taking.

Admittedly, the fall came when the sharemarket generally was having a little attack of nerves following the U.S. Treasury gold auction news and there was also some disappointment with the increase in the De Beers interim dividend. On the latter score, however, it must be remembered that just as the CSO has never reduced its prices for diamonds, any reduction in De Beers' yearly dividend total would be unthinkable.

After an exceptional first-half, De Beers is thus playing it cool. Nobody knows whether the second-half can be as good, although I hear that the higher gem prices have been well accepted at the current "sight," or CSO selling week, of which there are ten a year. Opinion is that De Beers' profits in the current half-year should be maintained and that a total dividend for the year of around 85 cents against 52.5 cents for 1977 is on the cards.

Still in what might be termed the exotic league we come to Australian uranium. While uranium producers in other parts of the world—notably in South Africa—have been busily tying up juicy supply contracts at best-ever prices, the potentially huge producers in Australia have been fretting at the sta[illegible] line.

They have been hamstrung by political and environmental considerations and only this week Pancontinental and Getty Oil have again said that they are all set to start development of their Jabiluka deposit when somebody waves the flag. The major remaining hurdle, it seems, is the question of royalty compensation payments to the Aboriginals on whose land the deposits are situated.

An important break-through has now come with yesterday's news that the Australian Government and the Northern Lands Council (representing the Aboriginals) have reached agreement on the terms and conditions for the development of the A$320m (£190m) Ranger uranium project in the Northern Territory. The partners are Peko-Wallsend and EZ Industries with the Federal Government having a stake of 72½ per cent.

It is believed that the parties have agreed on a reasonable royalty of 4½ per cent. If so, this is also likely to be acceptable to Pancontinental and the rest of the field. The hope now is that work can begin on the development of Ranger before the start of the wet season in about October. Peko-Wallsend has estimated that it will take about three years to bring the property to production at an initial annual rate of 3,300 short tons of uranium oxide.

Looking at other Australian news this week, the Consolidated Gold Fields group's Consolidated Gold Fields Australia has reported a return to profits in the first half of this year, thanks to its Renison tin and Bellambi coal subsidiaries. Both are still doing well and the group's prospects are considered "promising, although clearly dependent on the course of events in the major economies of the world." There's food for thought.

TIN OUTPUTS COMPARED

	July, 1978 tonnes	June, 1978 tonnes	Total to date (months) tonnes		Same period previous year tonnes
Amal. of Nigeria (tin)	¶	171	419	(3)	524
Amal. of Nigeria (columbite)	¶	28	82	(3)	47
Aokam	110	107	110	(1)	122
Ayer Hitam	157	158	157	(1)	110
Berjuntai	419	381	1,140	(3)	1,257
Bisichi Jantar (tin)	¶	25	199½	(6)	203⅞
Bisichi Jantar (columbite)	¶	20½	194	(6)	188
CRM Sri Trimah	107½	164½	856½	(7)	782½
Ex Lands Nigeria	¶	22	154	(6)	153
Geevor‡	85	103	386	(4)	375
Gold and Base (tin)	¶	¶	100	(4)	106
Gold and Base (columbite)	¶	¶	1	(4)	2
Gopeng	146½	125⅞	1,394	(10)	1,536½
Idris	19½	19½	122⅞	(7)	186½
Kamunting	32	37	138	(4)	163
Kent (FMS)	¶	¶	102½	(1)	434½
Killinghall	22½	19	488½	(10)	623½
Kinta Kellas	¶	¶	500½	(12)	658½
Kuala Kampar	17	16	75	(4)	135
Lower Perak	24	22	77	(3)	81
Malayan	272	228	272	(1)	255
Pahang	¶	¶	1,463	(11)	1,692
Pengkalen	8½	9½	87½	(10)	166½
Petaling	126	130	1,091	(9)	887½
Rahman	99	117	99	(1)	59
St. Piran—Far East	35	26	99	(4)	84
St. Piran—UK (South Crofty)	160	211	760	(4)	766
St. Piran—Thailand	105	96	366	(4)	341
Southern Kinta	148	121	556	(4)	589
Southern Malayan	178	165	178	(1)	164
Sungei Besi	193	161	649	(4)	606
Tanjong	23½	10½	122½	(6)	145
Tongkah Harbour	47	42	47	(1)	51
Tronoh	214	177	1,434	(7)	1,253

‡ Figures include low-grade material. ¶ Not yet available. Outputs are shown in metric tonnes of tin concentrates.

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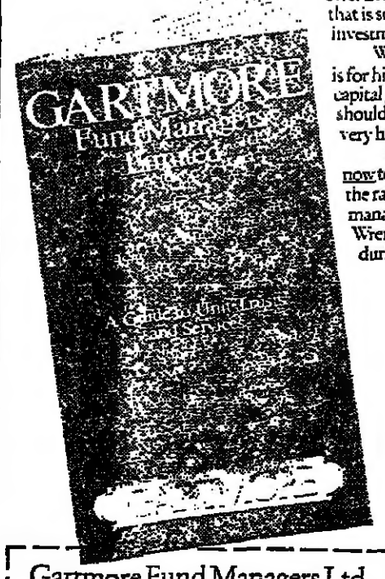

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FINANCE AND THE FAMILY

No need for new leases

BY OUR LEGAL STAFF

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

I have occupied my flat since 1954 and my last lease expired on March 25 last, when the Rent Officer fixed a new rent. No pressure has been put on me or other tenants in the building, to sign new leases. Do we need new leases, or suffer any disadvantage by not having them?

You do not need to enter into a new formal lease. However, if the terms proffered are acceptable you may prefer to have a contractual lease which is capable of assignment. If the lease offered does not have a rent review or break clause after three years it may be advantageous to accept it, as the rent could not be raised during the term of the lease.

House let for holidays

A friend of mine has been letting her father's furnished house in Inverness for holiday purposes. Her father is in a geriatric hospital. She has full powers over his finances and the house comes to her under his will. She has been approached by two doctors training in Inverness to rent it when the holiday lettings cease until the beginning of the season next year. Is there any arrangement she could make whereby they could use the house, with the absolute assurance that she could get it back next spring?

Under the Rent Act 1974, where a house previously let for holidays has been let for not more than eight months, then the landlord may recover possession at any time.

In the event of the tenant refusing to leave, the court must order possession in these circumstances. This affected by an amendment to Schedule 3 Part I of the 1971 Rent Act.

That would appear to cover the *circumstances which you set* out in your letter—however, if your friend's father ever wished to regain possession of the house during his lifetime, the court would also have to make an order for re-possession and likewise after his death she would be able to occupy the house herself as her own residence provided she had occupied it as her home at some stage.

Liability for fall of a tree

A neighbour has a tall fir tree in his garden, which seems to me completely dead and likely to fall. What can I do to ensure that, if this happens and my property is damaged, he will be liable?

You would be wise to write to the person on whose property the tree stands to inform him that the tree appears to be dead and is a hazard, and to warn him that, being on notice of those matters, he will be held liable should the tree fall so as to cause damage to your property.

The innocent driver

Damage amounting to about £200 was done to my car when it was run into when stationary at traffic lights. The other driver admitted liability and it appears both of us were insured by the same company, which requires the "innocent" driver to pay the first £25 of the claim under the excess clause. What do you advise?

We suggest you withdraw your claim on your insurance company and sue the other driver *in the small claims court if he* does not pay up the whole amount.

Wills abroad

I am a British subject, now resident in Belgium and I wish to make a will, covering my assets in the UK and Belgium. Do I need to make two wills, one for each country?

It is wiser to make two wills, *one in English form and one in* Belgian. If, as seems to be the case, you are not domiciled in Belgium, there is likely to be no need in law for a Belgian will unless you own immovable pro*perty in Belgium. However,* because property may be acquired after you make a will it is prudent to ensure that wills valid under both laws are executed.

Losses in gilt dealings

In a reply under Setting losses against gains on January 28 last, you wrote: "Losses on short-term transactions in gilts are, *subject to restrictions,* allowable, and there is nothing in your letter to suggest that you are contemplating the kinds of transactions which are caught by these restrictions." Can the restrictions be given, please, or where to find them set out reasonably simply?

Anti-avoidance legislation is always complex, and it can be dangerously misleading to offer a paraphrase in simple language (particularly in a case where there is no indication of the type of transactions contemplated or of whether all relevant purchases and sales have been, or will be, made through The Stock Exchange). The restrictions which we had in mind in our January reply are to be *found in paragraph 9 of* schedule 10 to the Finance Act 1971, as modified by section 53 of the Finance (No. 2) Act 1975. If you hope to establish allowable losses by short-term transactions in gilts, you would do well to study these provisions carefully in one of the standard reference books (in a local public library, perhaps) e.g. the British Tax Encyclopedia or Simon's Taxes.

Bed-and-breakfast transactions are indeed caught, as are double-banking purchases before sales, but the legislative net is cast quite wide and (as is often the way with anti-avoidance legislation) it may catch transactions which are innocent of any intention to create *losses artificially.*

Separation and return to UK

I am a UK citizen, resident in California since marriage to a U.S. citizen in 1974. We intend to separate and I shall return to UK with my three-year-old daughter (a U.S. citizen) shortly. Except the £5,000 my capital remains blocked in the UK, I hope to set up a trust if possible for my only child with £5,000 before departure. Would income from this be transferable for her school fee, etc., and taxable or will tax be due in the UK if not transferred? I hope to file a separate tax return in the UK—who would receive child allowance? I understand any maintenance payments up to £1,000 per annum from a husband would not be taxed as investment income—is this so? What is the general position if capital is retained in U.S.?

After you become resident in the UK (for tax purposes), income paid to or for the benefit of your daughter out of your trust fund would be taxable as part of your own income. The rules are to be found in sections 437 to 444 of the Income and Corporation Taxes Act 1970, as amended by later Finance Acts.

As you are "*in fact* separated in such circumstances that the separation is likely to be permanent," you will be regarded as a feme sole for UK tax purposes, and you will be responsible for your own tax returns, etc. Unless your husband agrees to waive any entitlement to child allowance (by signing a simple letter to that effect), your allowance may be restricted for 1978-79. In fact, child tax allowances for the under-11s are to be abolished from April 6, 1979, but by that time you should be entitled to child benefit; child benefit is a weekly social security payment (under the jurisdiction of the Department of Health and Social Security) and is exempt from income tax. (The words in quotation marks in the opening sentence of this paragraph are taken from section 42 (1) (b) of the Taxes Act.)

The first £1,500 of maintenance *payments from your* husband will escape the investment income surcharge; the limit was raised from £1,000 by the 1977 Finance Act. Maintenance payments direct to your daughter (as distinct from payments to you for the maintenance of your daughter) would be taxable as her own income—assuming that your husband remains in the U.S.—but would restrict your tax allowance for her. Your own domicile of origin (presumably England and Wales) will revive upon your return, and may indeed already have done so. On the other hand, your daughter may be eligible for beneficial tax treatment as a person domiciled in California.

Upon your return to the UK, you will be required to bring your U.S. investments under the control of a UK authorised depositary, and you will be unable to reinvest in U.S. stocks *and shares without going* through the investment (premium) currency market. We suggest that you get in touch with your UK bank for guidance on the exchange control position of your daughter and yourself: they will probably be prepared to help you with your UK tax returns as well, if you think that you will be unable to cope. Alternatively, if you engage the services of a UK solicitor for your separation and maintenance problems, he or she will be able to help you with your tax problems as well.

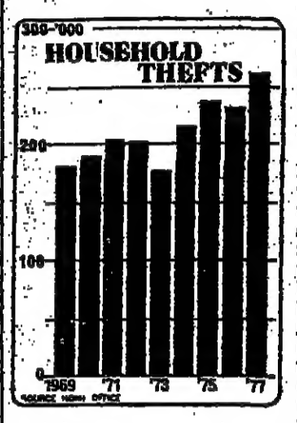
Making work for the burglar

ONCE EVERY two minutes last year, somebody was having his home burgled. This sobering statistic which emerges from the latest figures issued by the Home Office, shows just how frequently the burglar is at work. In 1977 the police were notified of 262,500 offences relating to thefts from private dwellings. In 1969, there were only 182,000 offences. So in less than ten years, the number of homes being burgled has risen by nearly 50 per cent.

That, however, is not the end of the picture. In 1973, the member companies of the British Insurance Association paid out £9.5m on theft claims relating to private household policies. Last year the amount paid had trebled to £30.3m.

These figures should bring to an end the feeling that it cannot happen to me, though human nature being what it is, this is doubtful. It should also get householders to check up on the security of their homes. But this is easier said than done. There are certain precautions we can take, such as ensuring that all doors are locked and all windows secure when we go out so that the would-be burglar cannot simply walk in.

But are the locks and window catches sufficient to withstand any attempt at forcible entry? Could a determined person enter the house in a few minutes *without much trouble?* These are questions that really can only be answered by an expert. So I had one of the chief surveyors from Commercial Union come round and inspect my bungalow and make recommendations as to how to improve security. His findings were most revealing.



First he checked the front door. His opinion was that it would have been a comparatively simple task to fiddle the lock and open the door. His recommendation was that additional security be provided by a mortice deadlock.

Next he looked at the back door. This is more important than the front door because the front door is usually quite visible from the street and neighbours whereas the back door is often less overlooked. The burglar can fiddle around with locks with far less risk of attracting attention. Yet all too often locks on back doors are flimsy affairs that will yield to a good shoulder heave. His recommendation for the back door was to add top and base mortice rack bolts. Most people usually go out by the front door so they can secure the back door by means of bolts.

If the house has doors leading from a conservatory then special care is needed. The best solution is to fix bolts, or even dual screws. But problems arise because all too often these doors are flimsily constructed and there is nothing solid to secure the bolts. They have plenty of glass in them, thus are vulnerable to someone prepared to break the glass.

Then the surveyor turned his attention to the windows. Being a bungalow all windows represent easy means of entry, but again the rear windows are more vulnerable than the front ones. These can be secured by a removable key operating locking device. The object of this precaution is to stop the burglar making his entry by forcing the window catch or breaking the glass and opening the catch.

INSURANCE

ERIC SHORT

No mention was made of installing burglar alarms. The whole object of the exercise was to make the house reasonably secure at a reasonable cost. With most would-be burglars time is their greatest enemy. The longer they spend outside the house trying to get in the bigger the risk of arousing someone's attention and informing the police. All these security devices have the aim of making it more difficult and therefore more time-consuming to get into a house. The burglar then moves on to the next house to where he hopes entry would be that much easier.

Thus installing such security devices does not remove the need for adequate insurance on household contents. All that has been done is to minimise the risk of theft from the persons looking for easy entry and seeking quick-to-take items such as money, radios, and other easily portable items.

Most insurance companies are prepared to advise policyholders on security. The British Insurance Association publish a leaflet on the subject. The police are also always willing to help and there is a crime prevention leaflet available at police stations.

Gratitude for small mercies

TAXATION

DAVID WAINMAN

CAPITAL GAINS TAX has been on the Statute Book for some 13 years—the latter half of this period having embraced the most spectacular inflation ever seen in this country. It was hardly surprising that by last summer, the pips were beginning audibly to squeak—a heart-rending sound picturesquely described as high-pitched noises in high places.

The Chancellor showed no enthusiasm for indexing the tax, either at that point or in the discussion document which he had the Inland Revenue publish on October 5, 1977. An alternative form of mitigating the tax to take account of inflation was suggested to be tapering—that is reducing the monetary gain by a fraction where the asset concerned had been held for a specified period.

This alternative was obviously arbitrary and inequitable. One only has to consider how unrealistic would be its results if an asset were sold at a loss, or if a loss quantified at one date were not used until a much later date. It was therefore entirely predictable that those who responded to the Revenue would evince little enthusiasm for tapering.

Since he could say that indexing was an impossible precedent, and that there was a general antipathy to tapering, the Chancellor felt it appropriate to make a much smaller gesture in his budget this year. The "small gains relief" for individuals applies to those whose gains in 1977-78, in the current fiscal year or in later years are less than £9,500. The shape of the relief is well known. The first £1,000 of gain in a year is free of tax, the next £4,000 is taxable at 15 per cent, and then each £1 from £5,001 to £9,500 is taxed at the "marginal" rate of 50 per cent.

It is apparent to anyone who works these figures through, that with gains of £9,500, the tax liability is £2,850, which is *of course a rate of 30 per cent.* The small gains relief is just what those words imply—a relief which operates if gains are small, but holds no benefit for the taxpayer who makes a larger gain.

It is worth digressing for a moment to look at the capital gains tax exemption and relief where the asset being sold is a chattel. From April 6, 1978, so long as the proceeds of disposal of tangible movable property do not exceed £2,000, any gain which may arise on the sale is specifically not to be treated as a chargeable gain.

If the proceeds exceed £2,000, the legislation now allows that there may "be excluded from any chargeable gain accruing on the disposal so much of it as exceeds five-thirds of the difference between the consideration and £2,000." This particularly condensed form of words operates as follows:

	£	£
Sale of Proceeds		2,500
Less Original cost		700
Gain at first stage		£1,800
Exclude therefrom the difference between		
(a) First stage gain	1,800	
(b) The 5/3	833	
		967
Chargeable Gain		£833

The effect, if that chargeable gain is taxed at the full 30 per cent, is to limit the liability to half of the excess proceeds over £2,000. For 1977/78, the relief formula is structured in the same way, but the proceeds limit is set at £1,000. For 1977/78, those taxpayers liable at 30 per cent would therefore have exactly the same liability as they had under the previous form of relief which put a ceiling on liability described simply as half of the excess of proceeds over £1,000.

That old formula, based on limiting tax rather than limiting gain, was incompatible with the new small gains relief. As the law now stands, if the finally computed gain on the chattel is a component in total gains of less than £9,500, then the effective rate of tax will be less than 30 per cent, and the tax liability less than half of the excess proceeds.

This is all very clever, and we are immensely grateful for the Chancellor's small mercies. But it is not as merciful as indexation, nor as intellectually and financially satisfying. Treasury Ministers were once again pressed hard for indexation in the finance bill standing committee, but held out a completely dead bat to every ball bowled to them.

Their one concession was their acceptance that relieving small gains only where they were realised by individuals was less than fair to those people whose assets are held for them in trust. In some people's minds trusts carry only a connotation of tax avoidance, but Mr. Joel Barnett, Chief Secretary to the Treasury, accepted that such a motive cannot be imputed to the majority of trusts.

The widow whose late husband had left his estate to her for life, with remainder to the children, would be horrified to be told that her jointure was as undesirable as a straddle in the commodity markets. And there are plenty of other trusts whose existence has nothing to do with tax.

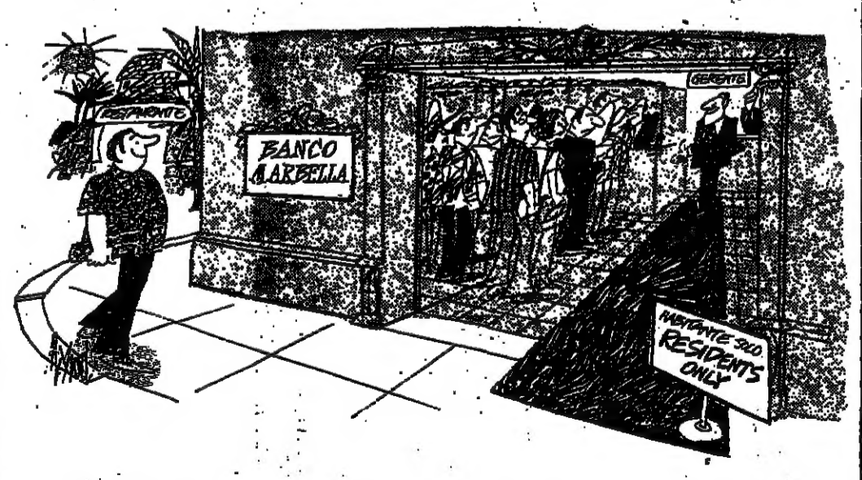
Mr. Barnett considered and rejected a number of suggestions for extending some form of small gains relief to trustees. Obviously it is difficult to draft a provision which would prevent too great a leakage of public funds becoming available to a taxpayer who multiplied his trusts. With this in mind, an official Liberal Party amendment suggested that a lifetenant who had not used, or not fully used, his own reliefs could surrender the unused part to the trustees of the settlement from which *he drew income.*

No one would pretend that this would be administratively simple, but Mr. Barnett's stated reason for rejecting it was that it was so tightly drafted that it would exclude from relief more trusts than should be excluded.

The Finance Act 1978 now grants to every trust in existence before June 7, 1978, an exemption from capital gains tax for 1977-78 and subsequent years if the trustee's gains do not exceed £500, and tax at a marginal rate of 50 per cent on up to another £750. Mr. Barnett explained to the standing committee that this was only to be seen as a rough-and-ready way of dealing with the problem until discussions between the Revenue and interested parties could evolve some more satisfactory permanent solution.

In this third article in a summer series **Martyn Harris** examines his own reasons for choosing Spain for his destination as a tax exile.

A question of lifestyle



ALTHOUGH my account is with a bank in Park Lane, my bank manager came to lunch the other day in jeans and an open-necked shirt.

He was in Marbella on holiday with his family. For me, as an established resident of five months, it was pleasant to host the social occasion with a minimum of business chat.

We did not select the Costa del Sol as a home because a number of friends come over here on holiday but it is nice to see them when they arrive out of the blue. Or should I say into the blue, because it hasn't rained for two and a half months. Each morning we wake to cloudless skies and temperatures in the eighties.

Any British citizen seeking a new domicile in a dream world of no or little tax is likely to imagine somewhere with better weather than the UK.

So it was with us when we came to answer what must be the most important question facing any aspiring tax exile—*where?*

Most of us do not have experience of other lands apart from a two- or three-week vacation at irregular intervals. Even if one has returned to the same little cottage in the Dordogne for 10 years the *attitude of mind,* slumping into a holiday, is not at all the same as setting up a permanent residence.

This is particularly underlined if one cannot return to one's homeland for a whole fiscal year. In my case I decided to follow the speediest route to establish myself in the eye of the Inland Revenue as a "non-resident for tax purposes."

The deliberations prior to making our decision were whilst not clinical, at least very thorough. Consideration had to be given to environment, cost of living, inflation, strength of currency against sterling, political stability and emotional factors. We were embarking upon a lifestyle which was going to be a complete contrast to the active businesss world of London. It was therefore most important that our new domicile offered us plenty of leisure activities to ensure we did not become bored or atrophy.

Had we only been planning a sabbatical year, Greece would have been our first choice followed by France. Greece for a permanent home was, however, unacceptable for social, dietary and language reasons. Whilst we have always been Francophiles culturally and gastronomically, we decided against France for economic reasons. One could live but not live that well based upon relative cost of living.

A study of cost of living indicators proved to be most interesting. Comparative shopping basket surveys, tables showing the price of bed and breakfast in an hotel and dinner in a good restaurant in various countries made intriguing reading but they could not answer what we were predicting would be our future life style.

In the end the most useful information I gained was by reviewing the average post tax salaries of senior executives in various countries and stacking that up against my own income.

Although my income need not be fixed one had to plan that it would be and aim off for inflation. One also had to consider fluctuating rates of exchange because certainly for four years the bulk of my funds would be in Sterling. We dismissed what is left of the Sterling Area which now mainly consists of small islands.

We considered English speaking countries like the States, Canada and the Antipodes but although they were attractive from the point of view of lifestyle and ease of communication they were too close to the existence from which we were departing. It would be so easy to fall into a similar routine or worse still succumb to the desire to work which seemed to defeat the object of the exercise.

At the time we came to decide upon Spain it seemed to be an ideal compromise. Although it was going through a period of change from a dictatorship to a social democracy, with all the incumbent problems the regime appeared as settled as anywhere can be today.

The separatist problems were restricted to the North and seemed not very different from those in the UK.

The exchange rate was then 120 pesetas to the pound, but it was overvalued and almost certain to devalue. This of course happened and it is now standing at around 145 to the pound.

Cost of living was relatively cheap even at the old exchange rate.

The particular area we were interested in, the Costa del Sol, offered a superb climate with an urbane yet countrified way of life. It had an established English speaking community and a range of restaurants comparable with most places outside France or the major capitals. The facilities for an outdoor existence were all there—tennis, golf, riding and water sports—and one did not need to excel at them to participate in and enjoy them.

Spain was intending and subsequently has applied to become a member of the Common Market.

It may bewilder some to learn that I saw this as a positive factory in that membership of the EEC is not without its problems. Being sanguine about it, as I was when I voted "Yes" in England three years ago, I realised that it would eventually mean price parity with other European countries. That it would mean an overriding legislature that often settled for the lowest common *denominator. That eventually* it might, even rule out the possibility of using member nations as tax havens. All this would take time, a long time, and could be dealt with when it happened.

The immediate benefit from a British standpoint would be the resolution of the Gibraltar question. A re-opened frontier would mean that 30 miles down the road one could shop at Liptons, buy duty free Scotch and have a pint of English bitter. What better way could one find to compensate for the occasional desire to remind oneself of "home."

Fortunately borders are not closed to radio waves so the local Gibraltar Station enables *us to listen to the 'News at One'* (at 'Two' actually as we are an hour ahead), keep abreast of the financial news and even listen to the 'Archers' every evening.

However, so far we are still too excited enjoying our new life to have had any withdrawal symptoms. In fact the only *withdrawal* I have is the one I make weekly from my bank. Not the one in Park Lane but another, in Marbella.

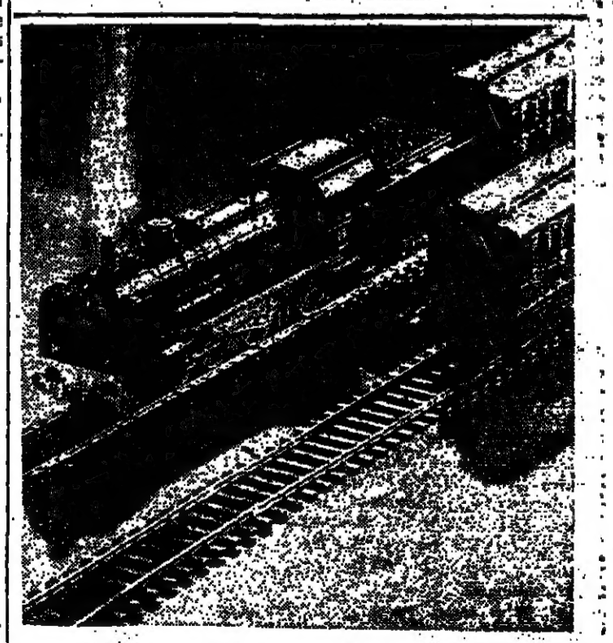
As a tourist I used to get irritated in Spanish banks when changing travellers' cheques. There was a time when I was actually asked the name and profession of my father to enable a teller to fill in a complicated form in order to change £20's worth of currency. Even though we live in a seaside town, we as local residents no longer suffer such indignities. Not for us the queues of impatient tourists but red-carpet treatment, including a bank manager who will bounce out to shake hands if he sees me in his branch. I can assure you this does not reflect the size of my account, which is kept moderately low.

I have opened a foreign currency account which is *invested on a monthly basis,* giving me a tax-free interest of 6¼ per cent at present rates. From this I switch funds into a Peseta account which is my current account for day-to-day expenses.

My foreign currency holding can be exported at any time so there are no problems concerning overseas travel. Again there are rumours that this may change, but we'll face that when it happens.

In the meantime it's rather nice having two such pleasant bank managers.

● *Some readers have questioned the detail of Mr. Harris' financial arrangements as given in earlier articles. The author is simply explaining what happened in his case and retelling the advice he was offered. Professional advice should be sought by anyone seeking to follow suit.*



All steamed up

Investors sometimes turn their attention to the smaller things of life.

There is a woman who declares that during her secretarial career, she entered the room of one of Britain's leaders of industry with the agenda of an important Board meeting. Totally unaware that he was not alone, this top executive was peering at a model railway engine on his blotting pad and saying "choof! choof!" to it.

Now we all know that it is about time that model railway engines went "choof! choof!" all by themselves. At the European Festival of Model Railways now taking place at the Central Hall, Westminster, I can inform *readers that German manufac*turers, Marklin, has launched just such an engine. The company says that "an electronic noise maker in the tender produces realistic exhaust noises."

The sound, in fact, heralds another step forward in the development of electronics in model railways (Hornby has introduced a sophisticated electronic control system at the exhibition). Using computer chips, the intensity of the sound is governed by the pulses of the loco as it changes speed.

Although the company does produce what it claims to be the smallest model railway in the world—1:220 scale—the 1:32 scale of this particular engine makes it more suitable for the garden than the blotting pad.

Producing realistic exhaust noises is not its only trick. The electric model class 38 loco can be made to whistle at any desired point of the layout by means of special magnets placed in the track. It makes smoke from a built-in smoke set, has three working headlights on engine and tender, a coal box full of real coal, and scale models of the driver and fireman.

Amazing as all this may seem, the new engine's most valuable feature could be its assistance to the tired executive on his return from the City. No longer will he need to get down on his hands and knees and make strange noises at his, or his son's, railway set.

YOUR SAVINGS AND INVESTMENTS

A preference expressed

PREFERENCE SHARES
TIMOTHY DICKSON

PREFERENCE SHARES have none too rosy an image. They're neither flesh, nor fowl, nor good red herring.

Lacking the gilt edged quality of a Government stock, they lose out on growth potential to ordinary shares. And they generally have no voting rights.

The past few months, however, have witnessed a flood of new preference issues on to the market. They could have a considerable influence on this type of investment.

According to stock brokers Gilbert Elliott, a mere eight new preference issues, involving 19.15m shares, were announced in 1977.

But the total number of issues in the first eight months of this year (including those in the pipeline but in which dealing has not yet begun) has already topped 50. That's some 65.6m individual shares.

Many of these issues have been made by smaller second line companies as a means of rewarding ordinary shareholders by way of a share handout.

Such an issue enables the company to increase the income for shareholders despite dividend controls. It also allows shareholders to realise some capital by selling their shares without changing voting control.

Because most companies are not paying corporation tax, preference share dividends are—for the moment—much cheaper to pay than they once were.

The impact of these developments on the preference market has certainly been significant. Yields on preference shares in some of the more speculative companies are now approaching 15 per cent although market-leader coupons average 12.3 per cent.

This a simple reflection of supply and demand. The big buyers (insurance companies and unit trusts, for example) have a considerable influence on the coupon and therefore the price at which shares are issued.

For the individual, investment in "prefs" probably means taking a needless risk. A few have voting or limited-voting rights, and can be redeemed, but at least 90 per cent of those in issue are irredeemable (and cumulative—dividends in arrears are built up and can be paid in more prosperous times). When it comes to the payout, loan stocks, debentures and any kind of debt have a prior claim on profits.

It would be more sensible for the private punter interested in the yields which "prefs" offer to spread the risk and put his money into a specialist trust.

Arbuthnot and Target have funds with 100 per cent preference share content, while several others have a significant preference gearing to provide an income sweetener for what are primarily growth funds. Preference shares are particularly popular with older investors, even though, in an inflationary climate, they have one major disadvantage—the income will not rise.

The recent flood of high coupon preference issues does, however, provide the preference fund managers with an exceptional opportunity to increase the income which they provide to their shareholders.

Investing in the European fashion

INVESTMENT
ADRIENNE GLEESON

IT IS now just a year since New Court European abandoned the attempt to persuade potential unitholders of the virtues of investment in the EEC, and merged with New Court International. It is just six months since the directors of Scotish and Continental Investment Trust decided that the same considerations must apply, and took the first steps towards the unitisation which has the company in limbo at the moment, awaiting the resumption of dealings at the beginning of September. And it is less than a month since the offshore managers Keyselex determined that their European fund would never be of a size to be economically viable, and set in train a merger with the Sebag feeder fund. Anyone might be excused for thinking that investment in the stocks and shares of Europe was a singularly bad idea. Yet the managers of Common Market Trust achieved a 27.8 per cent improvement in their shareholders' assets in the 12-month period to the end of June: and they anticipate that there is more to come. And the signs are that they are not alone in their belief.

Notably there is the very sharp reduction in the discount to net assets at which the shares of the closed-ended funds—the investment trusts—are now selling. For most of the past 12 months the shares of investment trusts with a heavy representation in Continental Europe have been selling on discounts of around 40 per cent; and while that was a considerable improvement on the discounts of 50 per cent and more which prevailed during the preceding period, it wasn't enough of an improvement to keep the shareholders happy. It was the fact that the discount showed no signs of dropping back to something nearer the average for the sector that eventually persuaded Scottish and Continental's managers, Murray Johnstone, to opt for some scheme for eliminating the discount altogether. Well, even after five years of heavy discounts, it looks as though they might have run out of patience just a little too soon. For the four closed-ended funds are now standing on discounts of between 28 and 31 per cent.

The question now, of course, is whether this revival of interest is soundly based, or nothing more than a flash in the pan created by a temporary improvement in share values overseas—and notably in France in the wake of the elections. The arguments for investment in the countries of the EEC no longer hinge, as once they did, on the probability of a high economic growth rate: after all, on the OECD forecasts the outlook for increases in GNP is better in the UK than in Germany: the French economy looks only slightly more buoyant: and the U.S. still holds the palm. No: the arguments now are over yields, currencies and in inflation.

British invesetors have become accustomed to thinking that equities at home yield a good deal more than equities abroad, but this is no longer necessarily the case. The average yield in Switzerland and Germany is lower than it is in the UK; and in France the range is so enormous that it doesn't make sense to talk in terms of an average anyway. But in Belgium and the Netherlands there isn't all that much in it. More important, of course, is the fact that these are "real" returns—much more real than the return on investment in British companies, which, even with the rate of inflation well down into single figures, is generally negative.

Nevertheless, there isn't much point in advising anyone to go into a specialist European trust for the sake of the yield. The highest yielder among the trusts lited in the table is Scottish European, on whose shares investors can look for 5.4 per cent; and most of them are offering between 2 and 3 per cent. The argument for putting your money—or a part of your money—into Europe, rests on the possibilities for capital growth in currencies which, if anything, are likely to appreciate against both pound and dollar. It looks a sound enough argument—long term. But if you want excitement, put your money elsewhere.

Funds invested in Europe: capital growth over six years

Open-ended Fund	% growth	Closed-end Fund	% growth
Common Market Trust	+31.0	Govett European	−41.2
Henderson European	−21.7	Sizewell European	−26.5
M & G European	− 1.5	Scottish European	−61.7
Schroder Europe	−22.4	F & C Eurotrust	−52.9
Save & Prosper Europe	+31.2		
FT-Actuaries All-Share Index	− 3.0	Eurosyndicat Index	−20.4

Ashley Ashwood

Doing good and making merry with Friends

GRANTED THAT, with summer only just arrived, it seems a little early to talk of autumnal pleasures; the August Bank Holiday week-end is perhaps the proper moment to start planning for the winter. Winter's pleasures tend to be the urban ones: and the best of those need planning a long way in advance. And that—whatever your particular line in urban delights—is a very strong argument for getting on to the priority booking lists.

The priority booking lists come in half a dozen forms, from the simplicity of the systems operated by the National Theatre and the Royal Festival Hall — pay your subscription, receive in return the repertoire leaflets, and send off your booking in advance—to the more substantial oportunities presented by the organisations of Friends. For the moment, let us look at just a couple of those.

The first, run by the Coliseum and the Royal Opera House, is on a relatively modest scale. Subscription to the Opera Club is just £3 a year (£2 if you live more than 50 miles from London; £1 if you are under 23), and it entitles you to a range of benefits other than priority booking. Notably, you can attend dress rehearsals, be escorted on back stage tours, and join the audience at a series of talks on Monday evenings: subjects this autumn range from the partnership between Gilbert and Sullivan, through opera on radio and television, to the opera singer's approach to leider. In addition, membership of the Opera Club entitles you to attend their parties—one in summer, one in winter.

Party going features amongst the jollies available to Friends of the Tate, as well. Becoming a Friend of the Tate is, however, an altogether weightier affair: the subscription (for husband and wife) is, for a start, £8 a year. Amongst other delights entitles you to free entry to the Tate's big exhibitions; entry on Sunday mornings on Monday evenings (with two guests in tow); entry to the private view (from 2.00 in the afternoon to the late evening) on the day before the opening of the major exhibitions; catalogues at reduced prices; and an opportunity to attend various films, lectures and parties. The Friends of the Tate also organise visits abroad. And they organise the sale, at reduced prices to their fellow Friends, of various items not strictly connected with the gallery (canvas bags, at the moment, and sets of playing cards).

The profits from all this frenzied activity—the Friends are a registered charity — go, one way or another, into the purchase of works of art for the Gallery. Works are either purchased by the Friends and then donated, or purchased by the gallery with assistance from the Friends. So it's a matter of doing good and making merry: it ought to be a winning combination.

Living off investment income

AS ANYONE who has been trying to live off investment income knows only too well already, it hasn't risen at anything like the pace of prices in general over the past few years. It hasn't risen at anything like the pace of wages and salaries, either. How wide the gap has become is illustrated by a new savings index developed by the financial consultants Antony Gibbs.

Antony Gibbs took the average manual wage in 1970 (a mere £1,333 per annum); made an informed guess at the composition of the average portfolio of investments (60 per cent equities, 27 per cent gilts, eight per cent building society deposits, and five per cent bank deposits); and calculated that a portfolio of £23,986, so balanced, would be necessary to produce an equivalent income. They then set out to discover what such a portfolio, unchanged through all the subsequent euphoria and despair in the stock market, would have produced by way of income for its owner. And they conclude that, by the middle of this year, that owner would be getting £2,026 per annum gross — which is less than half (to be precise, 46.6 per cent) of the annual income (£4,353) now received by his happy counterpart, the average manual worker.

The conclusion does depend on certain assumptions, more or less unlikely: notably, that the composition of this hypothetical portfolio would not have been changed. In fact a large part of the money in gilts and equities would probably have been shifted into the building society. But however much that might have benefited income in the short term, on Antony Gibbs' second line of argument the move would have been no cause for rejoicing.

For the consultants point out that part of the reason that the income on this portfolio has performed so badly, relatively speaking, is that a very large proportion of it came, in the first place, from fixed interest investments. In fact, although equities accounted for some 60 per cent of the portfolio by value, in 1970, they only provided 41 per cent of the income from it. (Obviously that reflects the level of the yield on equities relative to interest rates in general, in the year that the portfolio was supposedly set up.) And although the income on the equities in the portfolio has risen quite sharply relative to the income on the rest of the investments, it wasn't sufficiently large in the first place for this to make much difference to income produced by the portfolio as a whole.

What conclusions are to be drawn from this little exercise? The conclusion Antony Gibbs draws is that anyone living off investments must manage his portfolio (or, to be precise, must have his portfolio managed—the implication being by, *inter alia*, Antony Gibbs. However, they aren't keen to take on portfolios of less than £50,000). And they have joined their voice to the chorus proclaiming that a fundamental change in the tax system to allow for the impact of inflation on investment returns, is now overdue. Antony Gibbs is planning to update its new savings index three times a year.

The trusting child and stranger danger

IT IS unfortunately commonplace to read in the newspapers about assaults on children. Children are, by and large, very trusting—often too trusting. They need to be warned to beware of strangers. Some public spirited bodies—local crime prevention panels—cooperate with the police in visiting schools in order to pass that warning. Now further help is coming from an unusual source—a life company.

National Mutual Life Association of Australasia has produced an illustrated leaflet, "Beware of Strangers," which—without going into the potentially gruesome consequences — warns children against talking with strangers or accepting sweets or lifts. The pictures show the various situations in which a stranger might approach a child.

The leaflet has been produced in conjunction with the Dacorum Crime Prevention Panel in Hemel Hempstead, a body that has been very active in helping the Hertfordshire Police. The intention is that the leaflet will be distributed at school visits.

National Mutual's chosen form of sponsorship is thus very different from the backing given to sporting activities by other insurance companies. Its Australian parent has run similar campaigns in Australia and New Zealand with considerable success.

The company emphasises that this exercise reflects its efforts to take a part in shouldering community responsibilities. But since the company's name, head office address and company logo appear on each leaflet, and will get into a considerable number of homes at little cost—about 1p per leaflet—if the campaign is successful.

If anyone else is interested in getting free copies of the leaflet, they should contact Mrs. Dawn Filmer, Public Relations Officer, National Mutual Life Association of Australasia, Austral House, Basinghall Avenue, London EC2V 5EP.

A scheme for CTT avoidance

PENSION SCHEMES, among their other functions, act as a means of tax avoidance with the approval, if not the blessing, of the Inland Revenue. Any lump sum benefit paid, should the member die while he (or she) is still working, will be provided without producing any liability to Capital Transfer Tax. Such payments—up to four times salary—can be very important to higher-paid executives, especially those in private companies, who might be large shareholders; and executive pension schemes have been sold more for the tax advantages than for the pension provided.

But, as with all good things, there is a snag. No member of a pension scheme can postpone taking a pension beyond his or her 75th birthday. On that date, the pension has to be paid, even if the executive is hale, hearty and putting in a full day's work. Consequently, the death in service benefit lapses. Although 75 seems a ripe old age, more people are surviving that long. And they have to think up other means of providing a CTT-free sum.

The common method is to offer a continuation option, whereby the executive can take out a whole-life policy for a sum assured at the level of his death benefit, without evidence of health—which may well not be too good at 75. The policy is written under trust, so that the premiums suffer CTT and the sum assured is free of tax.

But the level of premium is extremely high—for a sum assured on a 75-year-old of £100,000 with profits the annual premium charged by Scottish Provident would be £11,725.

So if investors wish to minimise the impact of CTT, they must start saving comparatively early in life. Scottish Equitable has come out with an alternative, a supplementary plan to be used in conjunction with an executive pension scheme. It is called the 75-Plus Policy.

It is a whole of life contract, with profits, where the death cover before age 75 is kept very low, to the minimum level necessary for premiums to qualify for life assurance tax relief (that is, to three-quarters of the total premiums payable to age 75). At age 75, the death benefit is increased, on an actuarial basis, to cover the previous shortfall, and the accumulated bonuses become payable.

Let's take an example. If an executive takes out such a life assurance policy on joining his pension scheme, and he pays premiums of £1,000 a year gross, up to age 75, his death cover is £23,250. At age 75, the basic cover is lifted to £47,000 and the accrued bonuses amount to £105,600 (estimated on current interim rates) giving a total death cover of £152,600. This sum would be increased by further bonus additions.

The reduced cover before age 75 is supplemented by the lump sum death benefit. The increased cover after age 75 replaces the supplement.

But the scheme has its drawbacks. The executive's heirs lose out if he dies shortly before he reaches the age of 75. But more important, it is he, and not the company, that has to pay the premiums on the supplementary scheme.

Birds in the bush at Burma Mines

ANOTHER GO through the deed boxes is indicated—particularly for those of you who live in India or the U.S.—by the latest developments at Burma Mines. Not that you are likely to find yourself worth a fortune, even if you do turn out to own some shares in what is—despite its unlikely name—an investment trust company. With many holdings of below 200 shares, and the price hovering around the 12p mark, there isn't likely to be much more than the odd few hundred pounds in it for anyone. Nevertheless, it's worth hunting out those old shares if you have them. For there is, for the first time in years, a chance that you'll get some return on the investment.

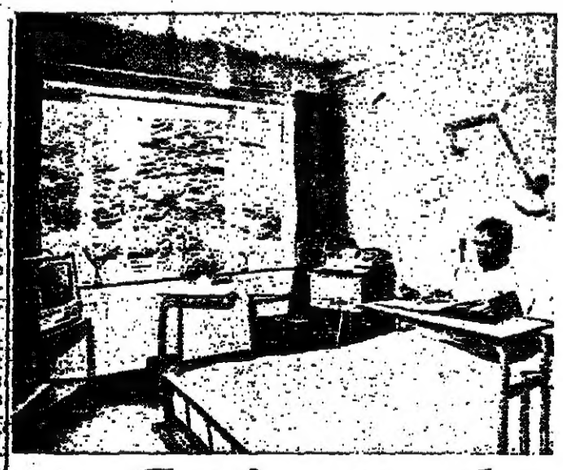
What you get depends entirely on whether the majority directors have their way at the extraordinary general meeting called for October 18. The majority directors—Messrs. D. S. Middleditch, W. A. Arbuckle, and D. A. H. Baer of managers John Govett—have been running the company which has a portfolio of investments, a £2.2m claim against the Burma government, and annual compensation payments (of £37,500 from that source) for years: and now they say that the assets are of a size to make a distribution. Not, however, a distribution of the common or garden annual variety of which shareholders have been all but totally deprived over the past decade, but a 10p a share, one-off payment which will absorb some £1.35m of total assets which—excluding the compensation claim against the Burma government—are worth some £1.7m.

—Now you might, if you were a Burma shareholder, be inclined to take the money and go on your way rejoicing. But that reaction has not been universal. In fact, two directors, who between them control a stake of 23.4 per cent in the company, are opposing the move to the point of asking shareholders to vote their three colleagues off the board.

It has to be understood that at the root of the disagreement as to the future conduct of this company lies the fact that it has an extremely large number — possibly 30,000 — of extremely small shareholders. Making anything other than a handsome distribution just would not be worth the administrative costs involved: and Burma doesn't have the income to make regular distributions of that sort. So the policy of the majority directors has been — and continues to be — not to make any distributions at all, but to concentrate instead on building up the assets of the company. The 10p a share distribution which they now propose would clean out most of the assets accumulated so far: and after it they intend to start on asset-building all over again.

The two minority directors say that, taking the company as presently constituted, it should be possible to start declaring dividends in the next financial year — particularly if some time and attention is devoted to cleaning up the share register and trimming the number of shareholders. They also claim to have the expertise to build up Burma's

So for shareholders it's the usual business of weighing up the benefits of birds in the hand against the promises of birds in the bush. What they should appreciate is that, whichever party wins, their company will never be the same again.



Getting together for private health

MEDICAL INSURANCE
ADRIENNE GLEESON

THREE WEEKS ago my sister went into hospital for an operation—nothing too serious, you understand, but completely disabling: she's been in plaster from the waist down and flat on her back almost all the time since. Being naturally gregarious, it didn't occur to her that treatment as a private patient would be desirable: and so she's been in a big National Health ward with 22 other orthopaedic cases to keep her company. She hasn't minded that in the slightest. But I very much doubt if she'll ever settle happily for the National Health again.

It hasn't been the standard of medical care that has been so disturbing, though they did leave the stitches in for two weeks so that the skin grew over them before they were taken out. It has been things like the fact that she wasn't properly washed for 24 hours after the plaster came off: nor was the sheet underneath her changed. It has been things like the fact that there has never been provision for her to clean her teeth: she's had to ask, specifically, every morning for someone to bring a bowl and mug. Little things: but enough to make anyone recovering from an operation miserably uncomfortable.

And the question is, is it worth paying £2 a week, or so, to eliminate the risk of being subject to them again?

For £2 a week is, as you can see from the table, very roughly what it would cost an individual to pay for private health insurance. Very roughly because, as you can also see from the table, the range of subscriptions is extraordinarily wide.

It is in fact almost impossible to compare one private health insurance scheme with another—though *Which?* has a crack at it every now and again—because the range of benefits is so wide. So BUPA alone covers against eight different levels of hospital or nursing home accommodation charge, and three different scales of specialists' fees—surely an unnecessary plethora of choice with which to confront the consumer. Western Provident Association, smallest of the three organisations whose subscription charges are illustrated in the table, operates in the same fashion but on a very much reduced scale: consumers have only three possible ranges (non-teaching hospitals, provincial teaching hospitals, and the London variety) from which to make their choice.

Private Patients' Plan, under its Premier Health Plan for individual consumers, also offers a three-way choice, with no time limit on the accommodation purchased in any one year, but ceilings on the refunds for specialists' fees.

The problem of choice is further complicated by the fact that there are any number of discounts available to the pertinacious consumer—and discounts of such a size that they are, as you can see from the table, very well worth while taking advantage of. Should you happen to be employed by a company which does not offer free private health insurance as a perk—and more and more do—it would be very well worth your while to set about forming a group of your own through which to subscribe.

A group means a minimum of five persons, though the discounts shown for BUP in the table in fact refer to groups with a minimum of 10. If you can get a larger number of people to subscribe then you might be able to do better still: for example, BUPA's medical requirements are nowhere near as stringent once the numbers top the 50 mark.

Even if you happen to be a lone friendless being, not given to community action of any sort, you should be able to get a discount. You can, for example, get the price cut if you pay it in annual, rather than monthly instalments: if you pay by Access or Barclaycard: if you belong to a professional organisation. Ask.

Discounts on private health insurance schemes (Annual subscription (£))

Plan		Age: Under 30	30-39
BUPA Provincial Teaching Hospital	Individual	97.20	139.00*
	Group	77.80	111.20*
BUPA London Teaching Hospital	Individual	134.65	192.30*
	Group	107.75	154.10*
WPA Provincial Teaching Hospital	Individual	77.50	119.70
	Group	51.90	79.80
WPA London Teaching Hospital	Individual	90.60	139.00
	Group	60.45	92.90
PPP Plan 1 (London Teaching Hospital)	Individual	90	99.84
	Trade or profession	76.56	84.84
PPP Plan 2 (Provincial Teaching Hospital)	Individual	81	89.88
	Trade or profession	68.88	76.44

* 30-49 years.

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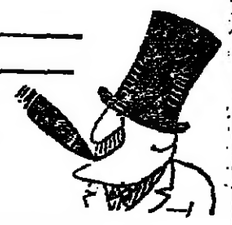


TRAVEL

Banking on a holiday

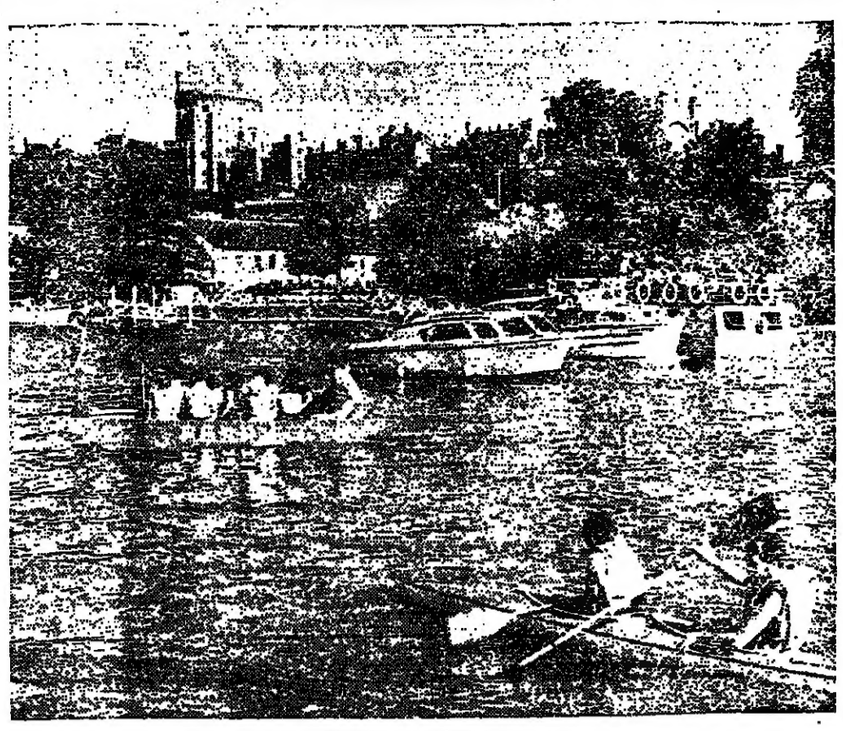
BY SYLVIE NICKELS

WHAT TO DO on this week-end of the Great Exodus? Those who are well organised will hardly need advice from me. Those who are *not could try, as a first* resort, to get details of what's on and what's going where from tourist information centres that exist in most towns and holiday places, usually well signposted, *the larger ones open right* through this week-end. In London, the ones at Victoria Station and Heathrow are open daily until late evening.

If you are in London or Edinburgh, you can also ring the Teletourist number (see the local dialling code book) for the latest news on what's on. London's collection of events is certainly wide enough, from the Greater London Horse Show at Clapham Common to the annual West Indian Carnival in the Notting Hill area. There will be plenty of rousing music in the parks, and all the major museums, art galleries and places of entertainment will be doing business as usual.

Not very hopefully, I asked various tourist and transport organisations which areas out of London they might suggest for avoiding the crowds. It depends on the weather, most of *them said rather defensively* and, indeed, poor things, how could they know!

British Rail, however, did make the point that one should not be too defeatist in dismissing an excursion on the principle it was bound to be fully booked. It can and does happen that everyone else has the same idea. So, in conjunction with some of Britain's 60 or so privately run steam trains, BR have a variety of day excursions to and in various parts of the country. There are also all kinds of all-in day trips combining breaks-of-journey in interesting cities, towns or countryside, some of them all-rail, some in*cluding sections of coach travel.* Any rail station should have details of those locally applicable.



The Thames at Windsor

Your local dialling code book will give the numbers to ring for the latest motoring information and weather forecasts in *different* parts of the country. Armed with this information, it is largely a matter of commonsense and a little homework to find a pleasant route that can reasonably be expected to be traffic-free. Signposted tourist *routes avoiding heavy traffic on* the way to popular holiday areas already exist in some parts of the country; but it is not very difficult to work out your own on a good map by keeping to "B" or, better still, unclassified *roads.*

The map should tell you pretty well what kind of countryside you will be passing through and what major historic (and pre-historic) sites you can expect to find on the way.

In unfamiliar areas, it obviously makes sense to avoid places you have read much about since others will probably have read much about them too. In the popular Cotswolds, for example, there are lovely old villages in the north-eastern fringes towards Banbury whose sleepiness I guarantee will be undisturbed—unless you all go there at once or unless there is a village fête: villages like Hornton and Horley and Hanwell and Cropredy, though the latter will no doubt have its share of canal users from the Oxford Canal that passes this way. The curious curved ridge of Edge Hill of Civil War battle fame is in this area, as are the stately homes of Upton House (extraordinarily fine paintings) and Compton Wyngates (very romantic in Tudor pink brick).

Stately homes are likely to be crowded this week-end, *though it's worth checking the* car park if you are passing. Stately gardens offer more elbow room, and I came across a glorious one recently not far from the same area, near Moreton-in-Marsh: the 50-acre *arboretum at Batsford Park* whose 900-plus species of tree come from most parts of the globe. You won't find vivid flower beds here, but you will find exquisite and rare trees and shrubs in a beautifully *maintained but natural setting,* with an appropriately varied bird life to match.

I have gone on a bit about this very small corner of the south Midlands to show how considerable is the variety of a rather little known area within easy reach of major conurbations. The same is true of most regions, and any lack of foreknowledge can usually be remedied by a judicious hour or so spent in a local pub.

Walking or combined walking-and-motoring can be the best ways of finding some peace, human nature being what it is, and once again maps can provide useful pointers. We once spent a splendid high summer weekend, almost devoid of humanity, tracing the ancient Peddar's Way across the map of East Anglia. Thus, north-east of Thetford, we came across a marvellous old Norfolk round church at Breckles (visitors' book signed by Queen Mary and two royal offspring in 1911): Norfolk's (probably) oldest church and a reconstructed Iceni village (as in 60 AD) at Cockley Cley: the lively little Regency market town of Swaffham: lovely old Castle Acre: and purple lavender fields in the rural no man's land south-east of Hunstanton.

The point about walking is that there is no obligation to make an endurance test of it, and heaven knows there is choice enough, from marked nature trails and sometimes less predictable public footpaths to the long distance marathons of which one can do as small or large a section as one fancies. The number of way-marked paths is showing a very healthy increase, a lot of them with the blessing and aid of local authorities.

Your Weekend £: Austria 27.20, Belgium 61.50, France 8.33, Italy 1.963, Greece 68.50, Spain 150.25, Switzerland 3.21, U.S. 1.9150. Source: Thomas Cook.

Ontario's rival partners

IN A nice way, Toronto has a split personality. This much I established fairly rapidly, and I don't think it was entirely due to my jet-lag bemused senses. Within a short time of arrival, we and our dinner table were rotating gently at the rate of 360 degrees every two hours, over 1,000 feet up in the CN Tower (which, totalling 1,815 *feet, is the world's tallest free-*standing structure). Daylight was fading fast and out of the dusk, depending on which section of the circuit we were on, other towers, albeit smaller, burgeoned into sparkling columns of light soaring out of the glittering pool that was the rest of the city beside the deepening dark emptiness of Lake Ontario.

In the next day or two, only *a short walk or ride from the* ultra-modernity of the plazas pedestrian precincts and man-made pinnacles of down-town Toronto, we pottered about residential districts that were pure Home Counties best suburbia in their tile and brick.

There were areas like Yorkville, too, with antique shops and smart boutiques; and Kensington and adjoining streets in whose "ethnic" market fresh local produce competed with Far Eastern spices and European cheeses.

In Canada, you just have to reverse all the usual European criteria of space and time. Distances are so vast that it is almost silly; history so relatively brief that wilderness has begotten wealth with breathtaking rapidity. Thus if you go (and you should) to Black Creek Pioneer Village, just past the last apartment blocks on the northern edge of the city, you step comparatively far back into Canadian history. The village consists mainly of early-mid 19th century buildings, but is no mere museum. The farm is a working one: the smithy, the *print and weaving shops,* the bakery, the herb garden, even the school are in use, and everyone is wearing the right period costume. You can buy their products, from a copy of the Toronto Weekly Message of *July 30, 1859,* to instructions on herb-drying, and exquisite shawls woven by hand from hand-spun and naturally dyed wools.

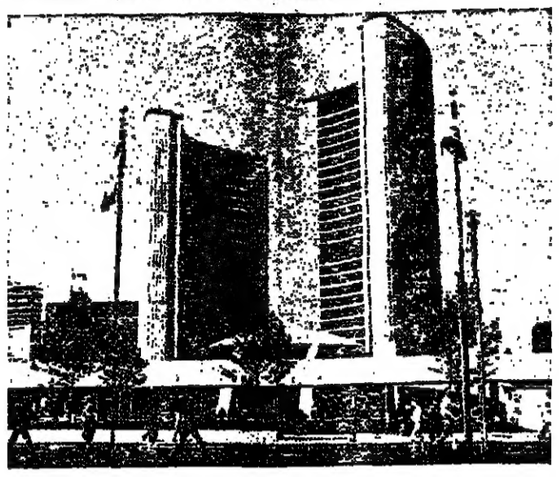
And so back to the new: the Science Museum with wondrous push-button displays and working models; the Planatarium, then featuring a brain-shattering Californian Laser Rock Show (never again!); and Ontario Place, which is one of the best places I have yet seen for across-the-board family fun. This 96-acre park spreads across three man-made islands on the edge of Lake Ontario.

It has a children's village, three theatres, a cinema with mind-boggling presentations a *partly open-air forum for top* "pop" and classical music, a circus, pubs, restaurants, marching bands, walk-around entertainers, attractive landscaping—and once you have paid your $2.50 entrance fee (less for children), most things (food and drink excepted) are free.

The city's restaurant scene is varied. We did very well indeed at Gatsby's (elegant, fairly expensive) and Mr. Greenjeans (highly original, cheap). Theatre spans the whole range from classical to intimate. We saw one of the latter, housed in the Old Firehall and, if some of the local political allusions were a bit subtle for visitors, there was clever improvisation and an enthusiastic response from the audience supping refreshments at crowded tables.

Toronto, by Canadian standards, was already quite sizeable in 1858 when Queen Victoria decided to make Ottawa the capital of the then Province of Canada. The decision was regarded by many as a huge joke: "A sub-arctic lumber village converted by royal mandate into a political cockpit," remarked one famous essayist. Such sour-grapism, however, had no effect, and those critics would undoubtedly be astonished today by the gracious, spacious and extremely pleasing sight the capital presents to its visitors and inhabitants.

Toronto may be four times larger, but Ottawa somehow has the maturity, emanating perhaps from such solemn architectural groups as the Parliamentary buildings on their hill above the Ottawa River, flanked by legal palaces and the baronial Chateau Laurier Hotel.



Toronto

The centre of the city is ringed by an almost continuous circle of green spaces, offering 37 miles of scenic bikeways (or jogging routes), much of them *bordering either the* Ottawa River or the first section of the 125-mile Rideau Canal. The latter, built back in the 1820s to link the Ottawa and St. Lawrence Rivers, is now almost exclusively a haunt for pleasure craft.

My visit in May was in happy coincidence with Ottawa's annual Spring Festival, when the parks explode with the brilliance of 3m tulips and there is hardly a corner of the city where something isn't going on. The climax was a waterborne floral festival on the canal, but there was everything else from handicrafts markets and oompah-pah bands to magnificent performances in the beautifully designed modern National Arts Centre.

Alas, there was little time for excursions into that unbelievable vastness that is the Canadian countryside, though I took a couple of days off from Toronto to visit Niagara, three hours drive away, and that relatively little known adjoining area of southern Ontario, known as Festival Country because it has so many of them. Business or holiday visitors with time to spare would be well advised to venture beyond the world famous spray into an area steeped in earliest Canadian history and dotted with natural parks, far removed from the honkey-tonk of the beautiful but commercialised area of the Falls themselves. But more of that another time.

***Further information:* Ontario House, Charles II Street, London SW1Y 4QS; Canadian Government Office of Tourism, Canada House, Trafalgar Square, London, SW1.**

BRIDGE

E. P. C. COTTER

THANKS TO Henry Francis and Sue Emery and the Daily Bulletin which they so ably produced, I am able to offer you today two interesting no trump contracts from the Open Pairs in the World Olympiad. Here is the first, dealt by West at game to East-West:

N.
♠ 10 8 5 2
♡ K 6
◇ 3
♣ A K Q 9 5 4

W.
♠ Q 4 3
♡ 10 8 7 3
◇ A 9 8 2
♣ 8 6

E.
♠ A K 9 6
♡ J 9 4 2
◇ J 10 4
♣ 3 2

S.
♠ J 7
♡ A Q 5
◇ K Q 7 6 5
♣ J 10 7

After West had passed, North bid three clubs, South replied with three diamonds, North rebid three spades, and South's three no trumps closed the auction.

West led the eight of hearts, which was won by the King, and declarer took stock of the position. Three no trumps was likely to be the popular contract, and as he had nine ready-made tricks, he was not going to get a generous allowance of match points for scoring just 400.

So he at once led dummy's diamond, hoping to steal a trick in that suit before he ran for home. But West was Edgar Kaplan, editor of the American Bridge World, and he was not asleep at the switch. He took his Ace and returned the three of spades, which was won by his partner's King.

It was now East's turn to give some thought to the position, and he then returned the six of spades. West won with the Queen, and another spade allowed East to make the nine and Ace, and so beat the contract by one trick.

The declarer's play, which would be terrible at rubber bridge or at teams-of-four with IMP scoring, is almost de rigueur at match-pointed pairs, where one has on occasions to risk one's contract in the hope of getting a better score.

The second deal is an object lesson in good declarer play:

N.
♠ 8 7 6
♡ A 3
◇ A 10 8 6
♣ K 10 7 5

W.
♠ Q 10 2
♡ Q 10 9 7 6
◇ Q 4 3 2
♣ J

E.
♠ A 9 3
♡ J 5 4
◇ J 5
♣ Q 8 6 4 3

S.
♠ K J 5 4
♡ K 8 2
◇ K 9 7
♣ A 9 2

South dealt at game to North-South and opened the bidding with one club, North replied with one diamond, and raised South's rebid of one no trump to three no trumps.

West started off with the heart seven, dummy played low, and East's Knave was allowed to win. The declarer wisely employed this hold-up with two stoppers in order to sever the lines of communication between East and West.

Winning the heart return with the Ace on the table, South led a spade in order to attack first the possible entry in the West hand. The Knave was finessed in hand, losing to the Queen, and West cleared his suit by leading another heart to the King.

The declarer now turned his attention to diamonds, leading the seven and running it when West followed with a low card. East won with the Knave, but with no heart to return and with no desire to lead from either minor suit, he cashed his Ace of spades, and got off play with another spade to the King.

South made the thirteenth spade, throwing a club from the table, then cashed the diamond King and the King, Ace of clubs.

When West failed to follow suit on the second lead, the declarer had a perfect count on his hand—West had started with three spades, five hearts, and one club, and was therefore marked with the two remaining diamonds. Leading his nine of diamonds, he confidently finessed dummy's ten, and made his contract.

Tree fever

GARDENING

ARTHUR HELLYER

TREES arouse so much passion and fulfil so many roles that controversy about them is inevitable. At the most basic level trees control climate, create soil and purify the atmosphere by taking huge quantities of carbon from it and giving oxygen in return. It is said that the carbon dioxide content of the air has increased by ten per cent in recent years and presumably to some extent this is due to the reduction of the tree population of the world.

But trees also play a vital part in the creation of landscape and though we often disagree violently as to what is and is not desirable in such matters, no one argues that beautiful landscape is not important. There is also general agreement that the distinctive beauty of the British countryside is largely due to the use of trees in small woodlands, coppices and hedgerows which break up the landscape into lights and shades and provide it with constant variations of colour, shape and texture. The great landscape gardeners of the 18th century understood this perfectly and used trees to create the lovely arcadian scenes which delight us today in such places as Stowe, Blenheim Palace, Longleat, Woburn Abbey, Tatton Park, Castle Howard and Studley Royal. They had thousands of less celebrated imitators and though it is probably an exaggeration to say that they created the English landscape they undoubtedly exercised a profound influence on it.

Yet even this is not the whole story. Trees are essential to us commercially and though we are never likely to be self sufficient in this respect, we can save a lot of money on imports if we make the necessary effort. Trees are also fascinating as individuals and this is probably what attracts most private gardeners in the first instance, and is the prime motivation for most non-commercial planting. Great aboretums and pinetums *may no longer be as fashionable* as they were a century ago but they still continue to be made and one of the most extensive, at Jermyns near Romsey, has only just passed from private ownership into the care of Hampshire County Council thanks to the generosity of its creator Harold Hillier.

Another smaller but fascinating aboretum is rapidly growing up on the northern outskirts of London in the grounds of West Lodge Park, near Barnet, once a private mansion and now a luxury hotel. There have been trees at West Lodge Park ever since John Evelyn visited it in 1676 and described the garden as "handsome" and an impressive double avenue of 140 lime trees was planted beside the entrance drive about fifty years ago. However the new aboretum, *created by Mr. T. Edward Beale,* was not really started until 1964 since when it has grown apace and now covers something like 13 acres with much more land available if required.

Frank Knight, formerly director of the Royal Horticultural Society's garden at Wisley, has been given ample space for full development and already embrace more than 200 coniferous and broad leaved species and varieties.

At Wisley a large area has been set aside for a new aboretum in which it is hoped that many trees that are scarce in cultivation and are unlikely to be propagated *commercially* will find a permanent home with presumably, blah blah, blah or reeds available to those who require them.

However most garden owners are not thinking of planting large numbers of trees but just a few well chosen specially loved kinds.

It is disconcerting to discover how many quite ordinary trees are in short supply. A list just to hand from the Horticultural Trades Association includes in this category such fine trees as the Swedish birch (*Betula pendula dalecarlica*), the common walnut, the tulip tree (liriodendron). Turkey oak, common oak (but that, surely, *should soon be rectified for* this has been a splendid year for oak seedlings), red oak and *Robinia Frisia.* Stocks of *catalpa* and Spanish chestnut are described as "limited" and so are those of *Parus salicifolia pendula,* arguably the best small weeping tree for garden planting. Let us hope that someone is busily engaged *ensuring that these and similar* shortages do not continue for too long.

Meanwhile there are all manner of schemes afoot for increasing the availability of trees, the numbers that are planted and the preservation of those that are already there.

The Tree Council, in a brochure just published, states that the target must be at least 100m new trees just to maintain the present balance and well above that if we really wish to increase the tree population of Britain. The Council points out that in Europe many woodlands belong to towns and villages and so are maintained by public funds.

The suggestion is made that something similar is essential in Britain and the Council has all manner of useful advice for enthusiastic tree lovers who might prospect their localities for existing woodlands in need of maintenance and new sites of low or nil agricultural value suitable for tree planting and might then join with other like minded persons to prod local authorities to take suitable action.

There is no shortage of organisations concerned with trees. The Men of the Trees has been campaigning for years, the Arboricultural Association now incorporates the Association of British Tree Surgeons and Arborists and is largely professional in membership.

The International Dendrology Society brings together tree lovers from many countries. It has its own conservation committee deeply concerned with the preservation of rare species and varieties.

Something of a stir was caused this week by Honda's entry into the mower market. A sizeable sales battle looks likely next Spring.

CHESS

LEONARD BARDEN

KARPOV has had such a rough time with the black pieces against Korchnoi in the early stages of the world title match in Baguio City that it comes as a surprise that Karpov lost more games with White than with Black in his three-year reign as champion.

This is one of the odd facts to emerge from *Anatoly Karpov's Games as World Champion 1975-77* by Kevin O'Connell and David Levy (221 pages, £4.50 paperback), one of two recently issued Batsford books which provide background to the match.

The text contains all Karpov's *tournament games from Portoroz* 1975, which he won shortly after Fischer defaulted the world title, up to Bugojno 1978, where he tied for first with Spassky. The selection of exhibition games is particularly interesting for British readers since it includes all Karpov's encounters in the BBC-2 Master Game series and all the games of the Lloyds Bank clock simul against England juniors.

Even a quick glance at the contents reveals that Karpov's style is always *pragmatic*: when meeting a strong grandmaster opponent he will not object to a short draw if the overall tournament situation justifies it. But give him a strategic advantage, and he is patient, accurate, and ultimately deadly.

I found the most interesting feature of the book the selection of Karpov annotations which give some insight into his thought mechanisms and chess philosophy.

There are some tactical games, of course, notably the brilliancy against Dorfman in the 1978 USSR championship when Karpov had to win the game to catch the tournament leader, but the overriding impression is that Karpov prefers strategical control of events: words like "necessary," "correct," "*rational*," "*expeditious*" and "logical" recur.

The companion volume *Korchnoi's 400 Best Games* by Viktor Korchnoi, R. G. Wade and L. S. Blackstock (264 pages, £5.95 paperback) includes a review of Korchnoi's career and quotes from his remarkable autobiography *Chess is My Life*, and for fullest effect should be read in conjunction with that book.

These are selected games and thus exclude the routine draws of the Karpov collection. They bear witness to an all-round style, equally at home in combinative attack, wearing down of the opponent, and counter-punch defence. Comments are in symbol form, and the notation of both books is the "figurine algebraic" used in the BBC *Master Game.*

Two little-known Karpov and Korchnoi wins:

White: Anatoly Karpov. Black: S Cubrera. French Defence (Las Palmas 1977).

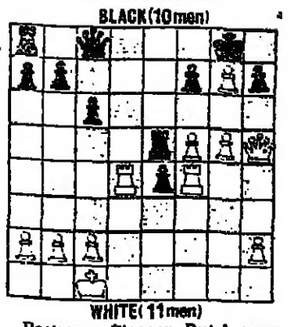
1 P-K4, P-K3; 2 P-Q4, P-Q4; 3 N-QB3, PxP; 4 NxP, N-KB3 (an inferior defence where Black's pawns are weakened); 5 NxN ch, PxN (QxN; 6 N-B3 threatens B-KN5); 6 B-K3, P-N3 (better N-Q2 and P-QB4); 7 B-K2, B-QN2; 8 B-B3, Q-B1; 9 N-R3, N-Q2; 10 0-0, P-QB4; 11 R-K1, Q-B2; 12 B-R4, Q-B1; 13 P-B3, R-N2; 14 B-Q6, P-B5; 15 N-B4, R-B1; 16 BxKB, KxB; 17 BxB, QxB; 18 Q-R5 (despite the bishop exchanges, White's pieces are most active and Karpov goes directly for the black king), R-Q1; 19 Q-R5 ch, K-K2; 20 Q-N7, P-K4; 21 PxP, PxP; 22 QR-Q1, Q-N1; 23 N-Q5 ch, K-K3; 24 Q-N4 ch, P-B4; 25 Q-N7, Resigns (26 N-B4 mate threatens).

White: Viktor Korchnoi. Black: A. Lutikov. Modern Benoni (USSR championship 1969).

1 P-Q4, N-KB3; 2 P-QB4, P-B4; 3 P-Q5, P-K3; 4 N-QB3, PxP; 5 PxP, P-Q3; 6 P-K4, P-KN3; 7 N-B3, B-N2; 8 B-K2, 0-0; 9 0-0, B-N5; 10 B-KB4, R-K1? (P-QR3); 11 P-KR3, NxKP? (BxKN); 12 PxB, QxN; 13 B-QN5! BxP; 14 BxR, QxB; 15 R-K1, BxR; 16 QxB, P-B4; 17 B-R6, Q-K2 (Q-B2; 18 N-N5!); 18 N-N5, Q-K4; 19 Q-N1, QxP; 20 BxN! Resigns (PxB; 21 Q-N7, Q-K4; 22 QxP).

POSITION No. 230

BLACK (10 men)

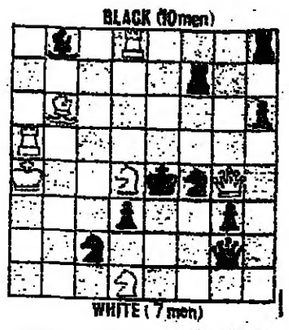


WHITE (11 men)

Postma v. Ploeger, Dutch team championship 1978. White, (to move) has a powerful attack, but Black hopes for counterplay by advancing his KP. How should White force a win?

PROBLEM No. 230

BLACK (10 men)



WHITE (7 men)

White mates in two moves, against any defence (by H. Hermanson, Sweden).

Solution Page 10

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48, Palmerston Place Edinburgh EH12 5BR. 26th August, 1978

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HOW TO SPEND IT

by Lucia van der Post

Sprogs' togs

SOME readers with young children of their own or grandchildren may remember that last year I wrote about the knitted designs by Baa Baa Blacksheep which I thought were some of the freshest, most original clothes for children that I'd seen in years. Baa Baa Blacksheep is run by Ute Pilditch, who is the creative talent behind the colour and design-sense. When I wrote about them first Baa Baa Blacksheep clothes were only available from two London shops, which made it difficult for out of London readers.

Now, however, readers who want original clothes for children can order a few Baa Baa Blacksheep knitted garments, as well as other stunning children's clothes, from a mail order company, new to me, called Sprogs' Togs, P.O. Box 4, Haddington, East Lothian, Scotland. Just send a 7p stamp.

Sprogs' Togs offers a full colour catalogue so you'll be able to see just how delightful Ute Pilditch's colourings are. Her knitwear isn't cheap, as only pure wool is used and everything is done by hand. This particular heavy knit jacket has an oatmeal/rust background with a blue house and a green tree on it. Available in sizes up to six years, the jacket is £17.25 (postage and packing charges are 50p up to £10 worth of orders, 85p on orders over £10).

The rest of the collection of clothing includes children's classics like soft brushed cotton shirts, velvet party dresses, Aran waistcoats, as well as soft flowered dresses for a more dressed-up mood. If you're looking for children's clothes with the dash and style that is usually more often found abroad then I recommend the Sprogs' Togs range to you. Prices aren't low but only the finest materials are used and nothing has that mass-produced, skimped look.

Steaming through the gardens

BRESSINGHAM GARDENS, at Diss, is a wonderful place for a day out. There are two main attractions: the gardens and the steam engines. The nursery is basically a wholesale concern, part of a 450 acre farm, and was founded by Alan Bloom in 1946. In 1953 he developed a special way of growing perennials: he now has six acres of them—the biggest collection of hardy perennials in the country and possibly in the world.

Altogether there are 5,000 different types of plants, including alpines, heathers and dwarf shrubs, all clearly labelled and all growing in island beds. This type of island bed has been devised by Alan Bloom to be easier to manage—particularly for the elderly—than are the older sort of herbaceous borders which are often too wide.

You may see also plants you have never seen before, being grown and perfected before they are ready to be put in the catalogues. I was fascinated by Veronica Virginica Alba, which grows to five feet high but never needs staking, alive with visiting bees and ladybirds. There was Ajuga metallica with bright blue flowers and crinkly metallic purple leaves—and many new varieties of Hosta.

A plant which attracted much attention was the lone annual Alan Bloom had popped in to fill a gap: dimophortheca eklion, a daisy with a navy blue eye. Its glistening white petals looked as if they had been starched and ironed after washing. It only opens wide in the sun, but I think it is still worth growing. You can sometimes get the seeds from Thompson and Morgan who also sell the variety Glistening White (as do Suttons), which has three inch wide blooms, though the centre is not quite as blue, large or shiny as the eklion variety.

Even those who are bored by gardening will find Bressingham Gardens a fascinating place because there is so much to see and do. Strolling on the lawns amid the flower beds with a background of tall trees, an air of Edwardian splendour is conjured up by the 68 keyless Voigt Street Organ — one of only two in Britain — which plays Strauss waltzes, the Poet and Peasant overture, and the Stars and Stripes.

It was in 1961 that Alan Bloom bought his first steam engine as a hobby. His collection subsequently grew until there are now over 40 either on wheels or stationary.

On open days there are eight or nine working and you can take a trip on the footplate of a steam engine, or on one of the steam-hauled 15-gauge Waveney Valley line engines—there is five miles of track around the museum, farms and gardens. The children can ride on the steam roundabout with its exotic cockerels and horses with flaring nostrils, and marvel at the lovingly restored steam engines, gleaming with hand-polished brass, in the museum.

There is really drinkable tea and the home-made buttered scones and other light refreshments available from local caterers are at reasonable prices. Or if you take a picnic it can be eaten in ideal surroundings.

Bressingham Gardens is open to the public on Thursday and Sunday afternoons from May to September. Wednesdays during August, and on Bank Holiday Mondays, from 1.30 to 6 pm. September 7 is the last Thursday and September 24 the last Sunday. Admission is 50p for adults and 30p for children aged 4-14.

There is a special weekend—September 2 and 3—when plants will be on sale to the public often in pots larger than those normally available.

Plants are available on other open days but only in limited quantities. Readers not living near, or travelling to, Diss may send 20p to Bressingham Gardens, Diss, Norfolk, for the catalogue from which they may order plants etc. by mail.

Bressingham Gardens is on the A1066 Diss-Thetford road, 2½ miles west of Diss.

AGNES KINNERSLEY

Special edition

IF YOU are looking for a really special present you might like to consider a very fine, hand-bound copy of "The Country Diary of an Edwardian Lady." Almost everybody will have read or heard of this book—it was one of last year's successful book publishing stories; it sold in its thousands and was one of the most popular Christmas presents the book trade had ever seen.

W. T. Morrell are specialists in fine book-binding (and incidentally in restoration work as well) and they immediately thought that this was precisely the kind of book that merited a special binding. They are therefore offering the identical fascimile copy of "The Country Diary of an Edwardian Lady" that is published by Michael Joseph, but they are offering it with a green Morocco half-binding. Those who may think that this kind of hand-bound book is very expensive may be interested to know that somewhere between 30 and 40 different processes are involved in a hand-binding. It is all hand-tooled in 22/23 carat gold.

The book itself, for those who have not yet discovered it, is totally beguiling. Edith Holden recorded in words and paintings the flora and fauna of the British countryside throughout the changing seasons of the year 1906.

Each month of the year is dealt with separately, accompanied by the author's own notes and quotations from her favourite poets. The paintings themselves (a small section of one is reproduced above) have a gentle, old-fashioned charm that seems to capture the feeling of the British countryside. It is certainly a book well worth a fine binding. You can buy it from a few leading booksellers or direct from W. T. Morrell, 4-7, Nottingham Court, Short's Gardens, London, WC2 for £49.50.

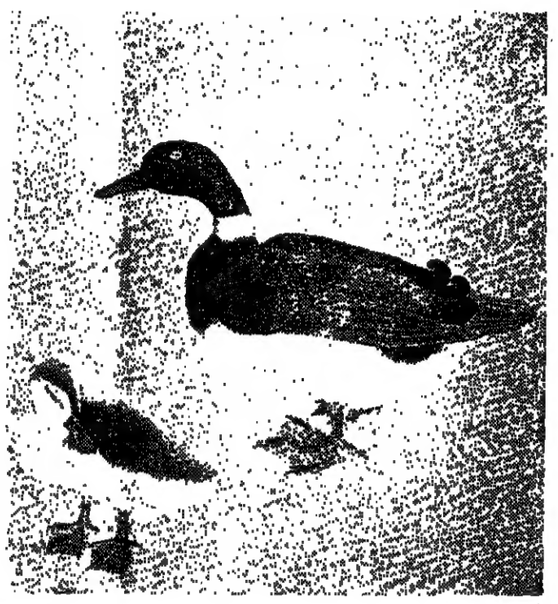
Silken delights

GEORGE SPENCER of 36, Sloane Street, is one of those small, select decorating companies that specialises in doing those gentle, traditional country houses that couldn't be anything but English. They are past-masters at that lovely, cluttered, lived-in atmosphere that looks as if it's happened naturally over the years, but in fact is the product of several expert eyes and many thousands of pounds.

The company provides all the usual services of a decorating firm—they will plan anything from one room to a complete house or suite of offices, from the paintwork down to the last ashtray, if that's what you want. An aspect of their activities, though, that may interest a wider group of people is that in the course of their decorating work they collect and gather a unique selection of what, for want of a better word, I would call furnishing accessories — that is, all the really attractive bits and pieces that give character to a room and a home.

There are wonderful antique reeded boxes (apparently an 18th century rarity these days), marvellous papier-mache trays turned into side-tables, old ceramics, needlework cushions, embroidered pictures—in fact for such a small shop it has an amazing variety of infinitely desirable objects.

As most of them are rare and highly decorative very little is cheap. However, a group of silk hand-painted Chinese pictures struck me as being of exceptional value—they are of striking size so that they provide a lot of decoration for the the money but they are also singularly appealing. Some latter-day Chinese Stubbs (alas, his name isn't known to George Spencer) has specialised in animals of all sorts and all of them are so appealing that it was almost impossible to decide which one to use as an illustration. There are these wonderfully still and tranquil ducks, a particularly charming kitten, some very British-looking dogs and a host of other animals. The colours are mainly rather subdued Chinesey colours—subtle beiges, browns, greens and yellows. The silk is antique, the painting contemporary. Prices vary between £130 and £190. Sizes are about 5½ ft x 3½ ft or 3 ft x 2 ft.



Entertaining the upper crust way

BY PHILIPPA DAVENPORT

A RAISED pie is neither difficult nor expensive to make. It provides a handsome centre-piece for the buffet table and is an ideal cut-and-come-again food for cold lunches and suppers in holiday time.

Hot water crust is exceptionally quick and easy to make—even for those who consider themselves too heavy-handed to be good pastrycooks. You don't need icy cold hands or a marble slab; there's no messy and time consuming rubbing-in or careful folding and rolling of fat into flour. As with choux pastry, liquid and fat are simply brought to the boil then quickly stirred into the dry ingredients. Flour, salt, water and lard are the classic ingredients but I think both flavour and texture are improved if part of the lard is replaced with dripping or butter and part of the water with egg yolk.

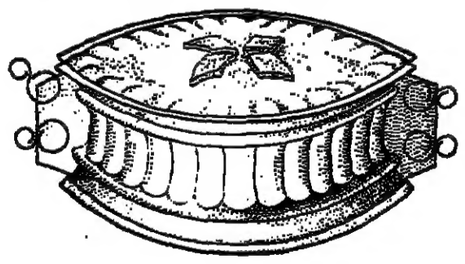
More tricky than making the pastry is moulding it, but this demands more care than skill and the secret for success lies mainly in using the dough when it is warm and beautifully malleable. If too hot it will just slide down the sides of the mould; if too cool it will be difficult to shape without tearing.

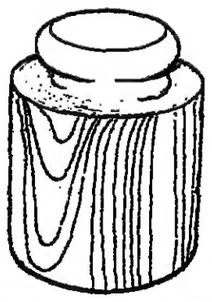
Using a traditional hinged and fluted pie mould undoubtedly helps to produce professional-looking results. These moulds are, however, surprisingly expensive to buy and you can perfectly well use a cake tin with a removable base instead: A removable base is important for easy unmoulding: if you decorate the pastry sides after unmoulding, the resulting pie can look just as impressive as one made in a traditional fluted mould.

But the time consuming thing about making a raised pie is preparing the filling. This needs to be done before making the pastry and can take an hour or so if poultry or game and a manual mincer are used. All sorts of meats can be used.

The points to remember are to keep the filling succulent by using about one-third fat to two-thirds lean: to mince or chop the meats quite finely so that the cooked pie slices neatly: and to spice the mixture generously to allow for slight dulling of flavours when food is served cold.

You also need to make a good jellied stock to pour into the pie after cooking—to fill up any gaps caused by meat shrinkage. The stock can simmer away while you prepare the filling and bake the pie but I prefer to make it a day ahead.





David Mellor, 4 Sloane Square, London, SW1, sells these oval moulds of hand-beaten tin in three different sizes: ¾ pint size is £8.14, 1¼ pint size is £8.69 and 2¼ pint size is £10.21 (p+p 80p for any size).

The traditional method of making a pork pie was to raise the pastry case round a wooden pie mould like this sycamore one. 2lb pie size costs £4.85 (p+p 95p), while the 1lb size is £2.95 (p+p 75p).

RAISED PORK PIE
serves 8-10

For the stock: bones and rind from the meats used for the filling, 2 pigs' trotters or a knuckle of veal, 1 onion studded with 2-3 cloves, 1 carrot, 2 celery stalks, 12 black peppercorns, a bouquet garni, a glass of dry white wine or cider (optional).

For the filling: 1½ lb lean pork such as shoulder or spare ribs and ½ lb fatty pork such as belly (boned and rinded weights in both cases), 6-8 oz streaky bacon, 1 large crisp apple such as Granny Smith, 1 onion, 6 juniper berries, 2 teaspoons Worcester sauce, 1 teaspoon thyme, ½ teaspoon each cinnamon, nutmeg and cloves, salt and pepper.

For the pastry: 1 lb plain flour, 1 teaspoon salt, ½ lb lard, 1 oz dripping or butter, 6 fl oz cold water, 2 eggs.

Remove bones and rind from the meats. Put into a large pan with all other stock ingredients, cover with plenty of cold water, bring to the boil and simmer for several hours to extract maximum flavour and gelatine. Strain, reduce to about ½ pint by fast boiling and season well with salt. If time permits, allow to become quite cold so you can scrape off excess fat and check that it sets to a very firm jelly. If necessary boost with aspic or gelatine powder.

Cut half the bacon and 6 oz of lean pork into matchstick strips. Mince all the remaining meats together with the apple and onion. Thoroughly mix together the minced and chopped meats, the crushed juniper and all other seasonings. Fry a small piece to check for flavour and adjust as necessary.

Break one of the egg yolks into a large mixing bowl. Cover with the sifted flour and salt. Put the chopped lard, dripping or butter, and water, into a small pan and heat gently until the fats have melted; then bring to a brisk boil. Pour at once into the mixing bowl stirring with a wooden spoon as you do so. When the mixture forms a ball leaving the sides of the bowl clean, turn out and knead lightly for 1-2 minutes to make a smooth dough. Cover with the upturned bowl and leave for 15 minutes.

Meanwhile, lightly but thoroughly grease a pie mould (or a cake tin with a removable base measuring about 6½ inches in diameter and 3 inches deep). I don't bother to use the base of my pie mould: positioning the hinged sides on a baking tray provides a fine base and one which makes unmoulding less fiddly. Even if you do use the base of your mould, it makes sense to place it on a baking tray (tray not sheet): it will catch any drips of fat that ooze from the pastry during cooking and could save you a tedious oven-cleaning chore afterwards.

Heat the oven to 425°F, gas mark 7; beat the whole egg for glazing; assemble a pastry brush, knife and rolling pin; and roll up a small piece of card to make a funnel. While the pastry is resting for 15 minutes, you will also be able to wash up the mincer and other equipment used in preparing the filling.

Leaving a quarter of the dough to keep warm under the upturned bowl, put the rest into the mould. Use your hands to shape it over the base then work it gradually up the sides of the mould and extend it nearly half an inch above the rim at the top. Try to work fairly quickly, pressing lightly but firmly and be sure to make the pastry lining as smooth and even as possible: the slightest crack will encourage precious meat juices to leak out during cooking; a thin patch of wall may collapse when the pie is unmoulded.

As an added precaution against seepage, brush the pastry lining all over with the left over egg white. Then spoon in the filling, packing it well into the corners and mounding it nicely in the centre. Roll out the lid, place on top of the pie, seal well and trim generously. Then gently ease the sealed pastry edges slightly inwards and upwards to make a rim that stands proud of the mould. This is important because, if the pastry is sealed against the mould, it may stick as it cooks and subsequently tear during unmoulding.

Make a large steam hole in the centre of the lid and hold it open by half-inserting the rolled card. Add any left over egg white to the whole beaten egg and use to glaze the top of the pie. Decorate with pastry trimmings and glaze again. If using a cake tin, you can reserve some of the decorations to add to the sides of the pie after unmoulding.

Bake for 20 minutes at 425°F, gas mark 7, then for 1¾ hours at 350°F, gas mark 4, reglazing the pie top at regular intervals.

By this time the pie crust should be set. Very carefully ease the sides of the mould away from the pie. Glaze the sides of the pie and add pastry decorations if you like. Cover the top of the pie with grease-proof paper if already sufficiently browned. Return the pie to the oven, reduce temperature to 325°F, gas mark 3, and cook for a further 30 minutes.

Carefully pour into the cooked pie enough of the stock to fill any gaps. The stock should be cool but not set: if you made it a day ahead, you will have to melt it again gently. A jam funnel is useful here and using a large spoon instead of a jug means you add the liquid in a slow trickle which minimises the chances of flooding.

Use a fish slice and a metal spatula to transfer the pie to a serving dish. Put it in a cool larder and serve next day. Don't attempt to cover the pie until it is completely cold—and this takes hours—or condensation will turn the pastry unpleasantly soggy.

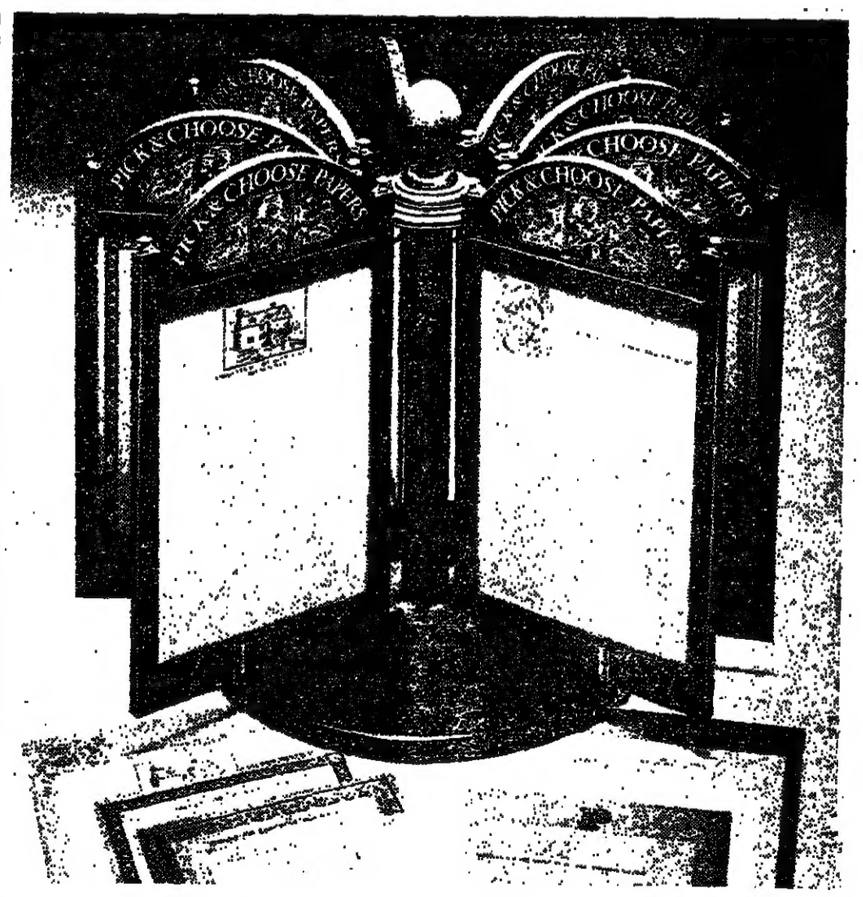
CHICKEN AND HAM PIE
serves 8-10

1 lb hot water crust pastry, ½ pint jellied stock. For the filling: 1 lb-1 lb 2 oz raw chicken meat (skinned and boned weight), 10 oz lean ham, ½ lb hard pork back fat, 2 oz can anchovy fillets, 2 tablespoons sherry, ½ teaspoon each freshly ground coriander, nutmeg and cinnamon, ¼ teaspoon ground cloves, salt and pepper. A bird weighing about 3½ lb will yield the right amount of flesh. I recommend Matteson's old smokey as an excellent choice of ham. Use the chicken carcase plus trotters and seasoning to make the stock. Cut the breast meat into slivers and chop the anchovies. Mince the remaining meats, including chicken liver if available. Otherwise follow exactly the same method as for raised pork pie but go carefully when adding salt because of the anchovies and ham.

RABBIT PIE WITH PRUNES
serves 8-10

1 lb hot water crust pastry, ½ pint jellied stock. For the filling: 1½ lb rabbit meat and ½ lb fat belly of pork (boned weight in both cases), 6 oz streaky bacon, 12 prunes, 2 teaspoons thyme, ½ teaspoon each marjoram and cinnamon, ¼ teaspoon each nutmeg and cloves, the finely grated zest of an orange, plenty of salt and pepper.

To get 1½ lb net weight of rabbit meat you will need to buy between 2 and 3 lb—it depends on whether you buy meaty saddle pieces only or whole rabbit which includes the bony fore-end as well. Hare can be used instead of rabbit. Either way, use the bones plus trotters and seasonings to make the stock. Soak the prunes overnight in cold tea, drain, stone and chop. Cut the bacon into matchstick strips, and mince all the remaining meats. Otherwise proceed as for raised pork pie.



First class mail

STATIONERY has been getting steadily prettier over the years (though not, unfortunately, any cheaper). Once upon a time Basildon Bond was the height of most people's epistolary ambitions and elegant though it still is, it's nice now that there's lots more variety. Instead of being restricted to a choice of white, cream, or shades of blue or grey you can now have your very own paper in crimson red, sludgy green, creamy yellow. You can have it with or without borders. You can have it elegantly simple with just your address printed cleanly across the top, or more extrovert souls can go for a richly decorative border or enigmatic ones can opt for writing paper that is simply initialled.

Though the range of choice has been expanding all the time, you usually had to choose between ordering your own headed writing-paper from a fairly narrow range of colours and patterns or buying one of a pre-packed range of pretty but impersonal designs that were, inevitably, available to many others in just such a form.

Pick & Choose Papers is a new company that has had the bright idea of offering and expanding the range of both the pre-packed and the special order market. For instance, if you want to walk into a shop and pick up a pack of beautifully-designed, unusual writing-paper then you can do so—you aim for their "Instant Delights" section and choose a pack of 20 full-size sheets of writing-paper and matching envelopes in a wide variety of styles. There are simply initialled sheets of paper with very elegant steel-grey envelopes. There are papers with borders ranging from the highly ornamental to the very restrained and elegant. A pack from this range will cost £1.90 and they can be found at the General Trading Company, 144 Sloane Street, London SW1; Partners, Star House, Barnard Castle, Co. Durham or from Eggleston Hall, Barnard Castle.

If, however, you want something designed specially for you then at the same shops you can choose your own typeface, border design, initial, etc., and devise something special for your needs. The range of possible combinations is so large that I defy anybody not to find something they like among it. You can order the individually-printed papers from any of the shops already mentioned, all of which carry a special display which makes it easy to assess the numerous possibilities.

If you aren't near any of the shops you can order by mail. If you send your name and address to Pick & Choose, 43 Markham Square, London SW3 and enclose 50p (which is refundable on ordering) as well as 15p for postage, you will be sent a special pack with a selection of papers to help you choose what you'd like. There's a sample envelope, samples of seven letterheads printed actual size, swatches showing all the Conqueror paper colours offered, a typeface list and so on. Once you decide to order delivery takes between two and three weeks.

Anybody who hasn't bought stationery for a couple of years will probably be horrified at the cost but if you've been following the fortunes of the paper industry you won't be unduly surprised. Prices vary but to give you some idea, 500 sheets, A4 size, printed with address starts at £71.74. 500 matching envelopes are £15.69.

ARTS

Citadels besieged

Faced with an event like the Edinburgh Festival the BBC goes agreably berserk. Everyone who is not on holiday scoots off north with a Uher taperecorder and a nebulous brief to get in on the act and interview someone. The someone usually turns out to be Peter Diamond, the retiring director of the Festival, Andrew Cruickshank, the president of the Fringe, or David Daiches, who has most opportunely published a history of Edinburgh (Hamish Hamilton, £7.95) this week, and has reaped the rewards media-wise of good timing.

It must have taken a certain amount of courage for Sir Peter

RADIO

ANTHONY CURTIS

to say that he regarded his greatest achievement during his long tenure of office that of inducing several Edinburgh restaurants to stay open late enough for people to be able to have dinner in them after a play or a concert. His long reign has surely brought more benefits both visible and invisible than that. But Mr. Daiches, who is an Edinburgh man and a more fluent interviewee, tended to agree that the long-term impact of the Festival upon the city had been more gastronomic than artistic.

It was left to Mr. Cruickshank to wax lyrical in a most rhapsodic vein about Fringe performers who have taken quite a few Knox—sorry!—from the more repressive elements among the locals. Having just come back from holiday in Scotland myself, I can testify that the Scottish embrace of the tourist is now wholeheartedly efficient and extends to remote regions of the Highlands and Islands where continental coaches and caravans are now as frequently to be seen as those from the North of England. My party was unable to land on Staffa because it was too choppy and had to be content with a view of Fingal's Cave from afar. However, a Japanese television film crew had succeeded in disembarking and waved to us; they were merrily at work, awash with spray.

Peter Diamond

To return to radio, these Edinburgh interviews began with Richard Baker up there for *Start The Week* on Monday, continued intermittently in a regular slot by Helen Palmer on *Today*, and then went on again in a series of *Kaleidoscope* reports which are still continuing. Too much of a good thing? Well not really when you consider that the Festival puts on such a huge number of shows and lasts for three weeks—Peter Diamond strongly resisted the suggestion put forward by one interviewer that it should be cut back to a fortnight. The BBC coverage would have worked better if it had been planned by one mind only and had been less haphazard and repetitious. Don't they realise that we all listen to all the same programmes? At least *Kaleidoscope* made some kind of effort to develop a theme: on Wednesday it was the art of Eastern Europe, with Bulgarian Icons, Janacek's music and Gogol performed by the Malaya Bronnaya *Company. Some choice excerpts* were offered with Michael Oliver to squeeze the lemon over the caviar.

For any listener suffering from Festivalitis, cultural indigestion, there was a restorative to hand in *Something To Declare* (Radio 4, August 23) with the bland Sassenach tones of Thomas Hinde, the novelist, and the Irish brogue of Dervla Murphy, the bicycling travel writer. What this pair had in common was—as Christopher Matthew explained — that they had both travelled in foreign parts on a donkey. However, in the understated but candid discussion to which they contributed, the personalities of their mules did not come through, as in RLS. The personalities of their children whom they both bravely also took with them would keep breaking in.

The Hinde brood were ill with food poisoning at one point but like the Murphy girl they made their own toys out of sticks and stones which proved more fun than commercial ones. Even in the desert I think mine would want a sand wedge and Scalextric. Who can fail to admire such extensive wanderings en famille in Europe and the Indian sub-continent?

India loomed again, large and tragic, in *The Amritsar Massacre*, by Francis Watson (Radio 4. August 23). This feature traced the events which led to a show of violence on the part of the representatives of the British Government in April, 1919, a decision which was as far-reaching and traumatic in its consequences as Suez. Amritsar also marked thhe emergence of Gandhi and the tradition of non-violent protest. It was all started by the unfortunate Brigadier General Dyer who ordered his men to disperse a crowd by prolonged shooting and who devised humiliating punishments for the Indians. He was later arraigned by the Hunter Committee and after a Parliamentary inquiry, involving Churchill and Secretary of State for India, Montagu, relieved of his responsibilities. Francis Watson did all he could to be fair to him, but even when engagingly impersonated by John Carson he made a poor showing. He died a disappointed man; Gandhi's hour had struck. Renu Setna brought the Mahatma to life with abrasive dignity.

I cannot help feeling that Amritsar would make an even better play than *The Rear Column* episode in the Congo with which it has much in common. The historical scholarship in this programme was impeccable and so were the intermittent moments of theatre, thanks to an experienced team of actors directed by Christopher Venning.

Marvell at the British Library

Andrew Marvell is not an easy personality to encapsulate. Inevitably the *bon mot* by John Aubrey, writing in the post-Restoration period, sticks in the mind: "He was in his conversation very modest, and of very few words; and though he loved wine he would never drinke hard in company." The Marvell Aubrey knew was the man living on into the corrupt world of Charles II's court, a sober, dutiful member of Parliament for Hull whose bitterness against the re-established regime was covertly let loose from time to time in the form of lampoons and satires. It is, however, the young Marvell I really wish to know about, the cavalier lyric poet and eulogist of Cromwell, and it is this man that I went in search of at the British Library's tercentenary exhibition.

How incredibly well it brings to mind the dilemmas of the educated classes in mid-17th-century England. It was an age of decision about belief, about society, about knowledge. Even with all the traumatic changes since 1945 the established classes of this country have never been faced with such problems as their Stuart forbears: Anglicanism, Presbyterianism or sectarianism, monarchy, and if so of what sort, or republicanism, and again of what sort. And, at the same time, the very nature of knowledge was changing as the encyclopaedic structure of late renaissance thought, with its obsession with hermeticism and occult influences, gave way to empiricism and scientific inquiry and experiment.

Marvell came of Puritan stock, the son of a lecturer at Hull, a lecturer being a preacher employed to make good to the devout the shortcomings of the established clergy. Young Marvell went up to Cambridge, to Trinity College, a mean between Puritan Emmanuel and High Church Peterhouse. Even the chapels of Cambridge were being beautified under the impact of Laudian ritualism and the combination of this, with the atmosphere of the lyric poetry of the cavalier era, must have made a tremendous impact on this north country lad who, for a brief moment went over to Rome, a path which his contemporary Crashaw at Peterhouse permanently took.

This was but momentary. For the remainder of his life he had a decided aversion to "popery." There is no indication as to whether or not he fought in the Civil Wars but it seems that, like the young Evelyn, he went abroad, probably to the Low Countries and certainly to Spain and Italy, where the wonders of the great renaissance gardens with their avenues and vistas, noble staircases and incredible grottos, sparkling fountains and thundering cascades made an indelible impression.

On his return he made his debut as a cavalier poet complimenting "his Noble Friend," Richard Lovelace, on the publication of his poems and, in the summer of 1650, producing his *Ode* upon Cromwell's return from Ireland, an astounding and perfectly balanced piece of political poetry in which Cromwell the soldier is seen to be replacing in his strength and decision the magic mythology of kingship by Divine Right. The latter had found its ideal means

EXHIBITION

ROY STRONG

of expression in the masques in which Charles I presented himself to his court as God on earth. No wonder when Marvell penned his celebrated lines on Charles I it was as an actor that he saw him engaged in a masque of death:

> That thence the *Royal Actor* born
> The *Tragick Scaffold* might adorn:
> While round the armed Bands
> Did clap their bloody hands.
> He nothing common did or mean
> Upon that memorable Scene....

And how right that the king should have been executed in front of the very building, the Whitehall Banqueting House, in which he had so defiantly presented himself as *deus ex machina*, and in which Rubens had depicted his father circling upwards into the empyrean.

Control of the pysche by making it respond to artificially created environments was part of the make-up of the early 17th century mind, whether in its use of optical illusion in painting, of startling perspective and light and shade in architecture, in miraculous transformations in the theatre or in the planned surprises of a garden. It is in these areas that the use of elaborate machinery was developed and applied in the late renaissance, to the construction of moving allegorical tableaux by which an educated onlooker was meant to apprehend some philosophic truth as gods descended on clouds on stage or a thunderstorm was simulated by means of hydraulics in a garden grotto. And yet the machine was also scientific and, shedding its symbolic overlay, looked forward towards the Royal Society and the Industrial Revolution. In the garden, too, the world changes from viewing the plants as symbols of virtues to be learned to studying them as botanical specimens with medicinal properties. This was part of the great revolution of the mind in the 17th century as magic gave way to science. Marvell catches all this in his *Upon Appleton House, to my Lord Fairfax*.

In the early fifties he became tutor to the great lord's daughter, Lady Mary, of whom there is a charming miniature by Samuel Cooper. Fairfax had retired from public life after the execution of the king. (His wife had made the famous intervention from the gallery during the trial.) Marvell's poem uses the house, its gardens and the estate as a microcosm of England and of the family and his own ideals and dilemmas. That he chose tamed and untamed nature as a vehicle for a political and social commentary is reflective of an era and an attitude.

Following in the wake of Italian mannerist gardens, in which cultivated nature arranged in conjunction with fountains, statuary and buildings was deliberately designed to be read as a coherent symbolic programme, Marvell applies the same way of looking at a rather old-fashioned Yorkshire manor house and its surroundings. The result is not only one of the most exciting poems of the epoch but one in which we see the Englishman's cult of his country house and its environs as a reflection of both his public and private commitments which was to reach its zenith in the next century.

A genuine admirer of Oliver Cromwell, he seems never to have anticipated the return of the monarchy but pressed for government employ, first as tutor to the Protector's ward, and later as Latin Secretary, a post which he occupied for two years and paid for forever after. His role as Cromwell's laureate, for he admired the man, belongs to the wider world of the recreation of a sub-monarchial mythology for the Protector and his "court". For they too were creeping back to the masque

Andrew Marvell

world of the 1630s in the pastoral entertainment he wrote for the marriage of the Protector's third daughter and in his poem, *The First Anniversary of The Government Under His Highness The Lord Protector*.

Alas, he was too closely associated with creating the "magic" of this momentary regime to survive 1660. Apart from his touching defence of Milton, I personally find this end of his life less interesting with its endless satires whose authorship remains in dispute. An exhibition of this sort, arranged in the manner first evolved at the National Portrait Gallery in the early sixties, is a pleasant reminder of one person's life, their appearance, their works, their environment. It is not the best designed exhibition that I have seen, rather a quart in a pint pot (and the hanging and lighting of the famous Marvell portrait is a real disservice) but its contents are fascinating. It is thoughtfully presented and there is a good catalogue by Hilton Kelliher.

TV Top 20

UK TOP 20 (Nielsen ratings)

1. London Night Out (Thames)	13.96
2. Coronation Street (Mon.) (Granada)	12.70
3. Coronation Street (Wed.) (Granada)	12.53
4. News at Ten (Wed.) (ITN)	12.25
5. Father Dear Father (ITV)	11.90
6. The Aspen Murder (ITV)	11.80
7. Crossroads (Tues.) (ATV)	11.75
8. Crossroads (Wed.) (ATV)	11.60
9. What's On Next? (Thames)	11.48
10. Crossroads (Thurs.) (ATV)	11.35
11. Out (Thames)	11.30
12. The Krypton Factor (Granada)	11.25
12. 321 (Yorkshire)	11.15
14. Crossroads (Fri.) (ATV)	11.00
15. Survival (Anglia)	10.80
15. Leave It To Charlie (Granada)	10.80
17. The Incredible Hulk (ITV)	10.45
18. Don't Ask Me (Yorkshire)	10.75
19. A Soft Touch (ATV)	10.70
20. Backs To The Land (Anglia)	10.55

Figures compiled by Audits of Great Britain for the Joint Industrial Committee for Television Advertising Research (JICTAR).

U.S. TOP 10 (Nielsen ratings)

1. ABC Sunday Night Movie Joe Kidd	24.0
2. Three's Company (comedy) ABC	23.2
3. MASH (comedy) (CBS)	21.6
4. One Day At A Time (comedy) CBS	21.3
5. Barnaby Jones (detective) CBS	20.6
6. Alice (comedy) CBS	20.2
7. Laverne and Shirley (comedy) CBS	19.8
8. Charlie's Angels (drama) ABC	19.6
9. Carter Country (comedy) ABC	19.2
10. Quincy, Me (drama) ABC	19.2

A Nielsen rating is not a numerical total.

TV/Radio

† Indicates programme in black and white

BBC 1

7.15-8.30 am Open University (Ultra High Frenquency only). 9.00 Ragtime. 9.15 Scooby Doo. 9.35 Why Don't You . . . ? 10.00 Rockface †10.25 Charlie Chaplin in "The Count." †10.55 Laurel and Hardy in "Chickens Come Home". 11.23 Weather. 11.25 Cricket: Third Test—The Cornhill Insurance Test Series: England v. New Zealand.

12.30 pm Grandstand: Football Focus (12.33); Cricket: Third Test (1.00, 2.25, 2.55) England v. New Zealand; Rugby Union (1.30) New Zealand v. Australia (highlights); Racing from Goodwood (1.40, 2.10, 2.40); Swimming (1.55, 2.55) World Championships; Show Jumping (2.55, 4.15) Lambert and Butler Tankard; 4.40 Final Score including classified football results, racing results and latest scores.

5.15 Tom and Jerry.
5.25 News.
5.35 Sport Regional News.
5.40 Wonder Woman.
6.30 Saturday Night at the Movies: "The Bridges at Toko-Ri" starring William Holden and Grace Kelly.
8.10 Seaside Special.
9.00 Starsky and Hutch.
9.50 News.
10.00 Match of the Day.
11.00 The UK Show.
11.40 Leaving Lily (Ghost story).

All Regions as BBC-1 except at the following times:—

WALES—8.50-9.15 am Hobby Horse. 12.15 am News and Weather for Wales.

SCOTLAND—4.55-5.15 pm Scoreboard. 5.35-5.40 Scoreboard. 10.00 Sportscene. 10.30-11.00 McCalmans. 12.15 am News and Weather for Scotland.

Northern Ireland—5.00-5.15 pm Scoreboard. 5.35-5.40 Northern Ireland News. 12.15 am News and Weather for Northern Ireland.

BBC 2

7.40 am-2.45 pm Open University.
2.50 Saturday Cinema: "Doctor in Clover."
4.30 Cricket: Third Test—England v. New Zealand.
6.45 Network.
7.15 News and Sport.
7.30 The German Lesson by Siegfried Lenz.
9.25 Magoo on 2.
9.30 Cricket: Third Test Highlights.
†10.00 Monster Double Bill: "King Kong" starring Fay Wray.
11.35 News on 2.
11.40 Monster Double Bill: "Superbeast" starring Antoinette Bower.

LONDON

9.00 am The Saturday Banana with Bill Oddie, part 1. 8.55 Sesome Street. 9.45 The Saturday Banana, part 2. 10.15 The Monkees. 10.45 The Saturday Banana, part 3. 11.30 Space 1999. 12.30 pm World of Sport: 12.35 Headline; 1.15 News from ITN; 1.20 The ITV Six—1.30, 2.00 and 2.30 from Newmarket; 1.45, 2.15 and 2.45 from Newcastle; 3.00 International Sports Special: Motor Racing—European Formula 3 International from Donington, Leicestershire; 3.50 Half-time Soccer Round-up; 4.00 Wrestling; 4.50 Results Service.
5.05 News.
5.15 Mr. and Mrs.
5.45 Laverne and Shirley.
6.15 The Masterspy.
7.00 The Life and Times of Grizzly Adams.
8.00 3 - 2 - 1.
9.00 Villain (part 1) starring Richard Burton and Nigel Davenport.
10.00 News.
10.15 "Villain" (part 2).
11.00 World Swimming Championships.
11.30 Revolver.
12.15 am Close—A painting by Goya set to the music of Juan Martin.

All IBA Regions as London except at the following times—

ANGLIA

9.00 am Undersea World of Captain Nemo. 9.30 The Next Week Show. 11.30 Tarzan. 5.15 pm Happy Days. 5.45 Gambit. 12.15 am At The End Of The Day.

ATV

9.05 am The Sea. 9.30 Sesame Street. 10.30 The ATV Saturday Morning Picture Show. 10.45 "The Fast Lady," starring Julie Christie and Stanley Baxter. 5.15 pm The Life And Times Of Grizzly Adams. 7.00 Mr. and Mrs. 7.30 Father, Dear Father. 9.00 Saturday Cinema: "Ransom For A Dead Man," starring Peter Falk (part 1). 10.15 Saturday Cinema (continued). "Ransom For A Dead Man."

BORDER

11.30 am Roses Cricket. 5.05 pm Oh No It's Selwyn Froggitt. 7.00 The Bionic Woman.

CHANNEL

12.15 pm Puffin's Pla(ce. 5.15 Backs To The Land. 5.45 The Masterspy. 6.30 The Bionic Woman. 7.30 Father Dear Father. 11.30 George Hamilton IV. 12.00 am The Electric Theatre Show.

GRAMPIAN

9.35 am Scene On Saturday including Birthday Greetings and Cair Car. 10.05 The White Stone. 10.30 Captain Scarlet And The Mysterons. 11.00 Dynomutt The Dog Wonder. 11.30 Space 1999. 5.05 pm Happy Days. 12.15 am Reflections.

GRANADA

9.30 am Sesame Street. 10.25 Breakers. 10.55 Roses Cricket. Lancashire v Yorkshire at Old Trafford. 5.05 pm Happy Days. 7.00 The Bionic Woman. 12.15 am Gilbouille.

HTV

9.15 am Old House, New Home. 10.15 Batman. 11.30 Beachcombers. 12.00 Lassie. 5.15 pm Galton and Simpson Playhouse. 5.45 Happy Days.

HTV Cymru/Wales As HTV General Service except: 5.15-5.45 pm Sion A Sian.

SCOTTISH

5.05 pm Phyllis. 12.15 am Late Call.

SOUTHERN

11.30 am Tarzan. 12.27 pm Regional Weather Forecast. 5.15 The Master Spy. 6.00 Happy Days. 6.30 The Life And Times Of Grizzly Adams. 7.30 Mr and Mrs. 12.15 am Southern News.

TYNE TEES

9.00 am Lucan. 9.50 The Paper Lads. 10.40 Cartoon Time. 10.50 Roses Cricket. 7.00 pm The Bionic Woman. 11.30 Within These Walls. 12.30 am Epilogue.

ULSTER

9.35 am Saturday Morning Movie: "California Holiday," starring Elvis Presley. 11.30 Sesame Street. 5.05 pm Happy Days. 10.13 Sports Results. 11.00 Carrolls Irish Golf Championship.

WESTWARD

10.15 am Survival. 10.40 Look and See. 11.30 Gus Honeybun's Birthdays. 11.35 Code 'R'. 5.15 pm The Master Spy. 6.00 Backs To The Land. 6.30 The Bionic Woman. 7.30 Father Dear Father. 11.30 George Hamilton IV. 12.00 The Electric Theatre Show. 12.30 am Faith For Life.

YORKSHIRE

9.10 am This Sporting Land. 10.15 Extraordinary. 11.30 Roses Cricket: Coverage of the play between Lancashire and Yorkshire at Old Trafford. 5.45 pm Happy Days. 7.00 Backs To The Land. 7.30 Miss Yorkshire Television 1978.

RADIO 1 247m

(S) Stereophonic broadcast
‡ Medium Wave

5.00 am As Radio 2. 8.06 Ed Stewart (S) with Junior Choice, including 8.32 Cross-Channel Motoring Information. 10.00 Adrian Juste. 12.30 Paul Gambaccini. 1.32 pm Rock On (S). 2.30 Alan Freeman (S). 5.31 Robbie Vincent with soul and disco music (S). 6.30 In Concert: John Miles (S). 7.30-2.02 am As Radio 2.

RADIO 2 1,500m and VHF

5.00 am News Summary. 5.02 Tom Edwards with The Early Show (S), including 6.03 Racing Bulletin. 6.06 As Radio 1. 10.02 Tony Brandon (S). 12.02 pm Two's Best (S). 1.02 Offbeat With Braden (S). 2.30-5.55 Sport On 2: Football League (1.30, 2.10, 2.50, 3.40); Swimming (1.50, 2.20, 5.00); World Championships: Cricket: Third Test (1.30, 2.20, 2.50, 4.30, 5.45); Racing From Goodwood (1.30, 2.10, 2.40, plus results from other meetings with a classified check at 4.50); Equestrianism (1.30, 2.20, 2.50, 5.00); News of the World Cycling Championships. Motor Racing, Golf and Bowls. 5.05 Sports Report: Classified Football checks at 5.00 and 5.45; Motor Sport at 5.30. 6.03 Cross-Channel Motoring Information. 6.04 Pop Over Europe. 7.02 The Impressionists. 7.30 Sports Desk. 7.33 Radio 2 Top Tunes (S). 8.15 Brocade (S). 8.33 Carlos Romanos and his Sounds Latin Orchestra in Band Parade (S). 9.30 Saturday Night with the BBC Radio Orchestra (S). 11.02 Sports Desk. 11.15 Ray Moore with The Late Show (S), including 12.00 News. 2.00-2.02 am News Summary.

RADIO 3 464m, Stereo & VHF

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Stereo Release (S). 10.35 Dvorak chamber music (S). 11.25 Cricket: Third Test, England v New Zealand including 1.35 News. 1.40 Call the Commentators. 2.00 Lunchtime scoreboard. 6.00 Belgian Wind Quintet (S). 7.30 Proms 78 part 1: Beethoven (S). 8.15 From Oxford to Nairobi (talk by Ronald Preston). 8.35 Proms 78 part 2: Musgrave, Rimsky-Korsakov (S). 9.40 The Summer Holiday—Snapshots of Europe. 10.16 Reger piano music (S). 10.45 Sounds Interesting (S). 11.45 News. 11.50-11.55 Tonight's Schubert Song.

VHF—6.00-8.00 am Open University. 8.00 With MW. 11.25 BBC *Symphony* Orchestra (S). 1.00 pm News. 1.05 Heritage. 1.20 Mozart and Brahms Violin and piano recital (S). 2.20 Man of Action: Raymond Mortimer chooses records. 3.35 Music Of The Masters (S). 5.00 Jazz Record Requests. 5.45 Variations on Themes by Beethoven, concert, part 1 (S). 6.05 Interval Reading. 6.10 Concert, part 2. 6.40 With MW.

RADIO 4

434m, 330m, 285m and VHF

6.00 am News. 6.02 Farming Today. 6.50 Yours Faithfully. 6.55 Weather: programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather: programme news. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Tour de Farce? 9.00 News. 9.05 International Assignment. 9.30 Talking Law. 9.55 News Stand. 10.15 Daily Service. 10.30 Pick Of The Week. 11.30 Time For Verse. 11.30 Science Now. 12.00 News. 12.02 pm Away From It All. 12.27 The News Quiz (S). 12.55 Weather: programme news. 1.00 News. 1.15 Britton on Britain (S). 2.00 Bookshelf. 2.30 Thirty-Minute Theatre. 3.00 News. 3.05 Does He Take Sugar? 3.35 Music Of The Masters (As Radio 3). 5.00 Kaleidoscope Encore. 5.30 A Little Night: Exposure (S). 5.50 Weather: programme news. 6.00 News. 6.15 Desert Island Discs. 6.50 With Great Pleasure (S). 7.30 These You Have Loved (S). 8.30 Saturday-Night Theatre: "The Amazing Dr Clitterhouse," by Barre Lyndon. 9.50 Weather. 10.00 News. 10.15 A Word In Edgeways. 11.00 Lighten Our Darkness. 11.15 News. 11.30 The Unforgettables (S).

Capital Radio

194m and 95.8 VHF

6.00 am Kerry Juby's Breakfast Show (S). 9.00 Capital Countdown with Mike Smith (S). 12.00 Kenny Everett (S). 3.00 pm Afternoon Delight with Duncan Johnson (S). 6.00 Greg Edward's Soul Spectrum (S). 9.00 Nicky Horne's Mummy's Chart (S). 11.00 Mike Allen's American Dream (S). 12.00 Mike Allen's Backcoat Boogie (S). 2.00 am Ian Davidson's Night Flight (S).

BBC Radio London

206m and 94.9 VHF

5.00 am As Radio 2. 7.32 Good Fishing. 8.00 News: weather, traffic, shopping, sports news. 8.15 The London Gardener. 8.30 Saturday Scene. 11.30 The Robbie Vincent Saturday Show. 2.00 pm Bob Powel with London Country. 4.30 Marjorie Bilbow with Close Up. 5.00 Sounds Good. 6.30—Close: as Radio 2.

London Broadcasting

261m and 97.3 VHF

5.00 am Morning Music. 6.00 AM: with Dickie Arbiter. 10.00 Jellybone. 1.00 pm Saturday Sport. 6.00 After Six. 6.30 Bush and You with Hugh Williams. 7.00 Good Male—music, information, interviews in Hindustani. 8.00 Saturday Music. 9.00 Nightline. 2.00 am Night Extra.

CHESS SOLUTIONS

Solution to Position No. 230

1 R-Q8 ch! QxR; 2 R-R4, KxP; 3 Q-R6 ch, K-N1; 4 P-B6, RxP; 5 QxR ch, K-B1; 6 RxP. Resigns because of the threat Q-N7 mate. An immediate 1 R-KR4? fails to QxP.

Solution to Problem No. 230

1 N-KB3 (threat 2 N-QB3) and mate next move. 1 N-K6? fails to Q-Q7.

WEEKEND CHOICE

If the weather is kind for once in this awful summer we may not have to retreat to television, but if the small screen does tempt you over the next three days it is dikely to be particularly satisfying if you are a film fan. Three films being shown on BBC channels are vintage pieces. Today the original 1933 version of King Kong goes out at 10.00 on BBC 2. Dreadful timing, presumably aimed at kids who will find the special effects very dated compared with Star Wars and even Dr. Who but who will not spot the significance of this fine picture.

At least the same cannot be said of Butch Cassidy and the Sundance Kid which is slotted for 8.05 on Monday (BBC 1), a nice comfortable adult time. First timers might think it surprisingly slow for such a cult movie, but remember it started a long line in similar vein. From this Alias Smith and Jones sprang, as did such pictures as The Sting, and even the TV series Starsky and Hutch, all of which quickened the formula without actually improving it. On Monday, BBC 2 at 8.00 has Airport, first of disaster movies and made, like Butch and Sundance, in 1969. Its all bokum but relax and enjoy it while others flounder in the queues at the real airports.

For real television try You Are My Heart's Delight, ITV (Granada) on Sunday evening 9.30.

A.S.

ENTERTAINMENT GUIDE

CC—These theatres accept certain credit cards by telephone or at the Box Office.

OPERA & BALLET

COLISEUM. Credit cards. 01-240 5258. Reservations 01-836 3161. ENGLISH NATIONAL OPERA Tonight Wed. next at 7.30. New production of Seven Deadly Sins with Gianni Schicchi. Tue. & Fri. next at 7.30: The Consul (this replaces scheduled perf. of Carmen) for further details ring 01-240 5258. Thur. next at 7.30: Cavalleria Rusticana/Pagliacci. †04 balcony seats available from 10.00 on day of Perf.

ROYAL FESTIVAL HALL. 928 3191. Evs. 7.30. Mat. Sats. 3.00 LONDON FESTIVAL BALLET Until Sept. 2: SWAN LAKE. Mat. Evs(ckimova. Labis. Tonight: Ruanne. Schaufuss. Sept 4 to 9 Mixed Bill.

THEATRES

ADELPHI THEATRE. CC. 01-836 7611. LAST 8 WEEKS. MUST END OCT. 14. Evgs. 7.30 Mats. Thurs. 3.0. Sat. 4.0. IRENE IRENE IRENE THE BEST MUSICAL of 1976, 1977 and 1978 IRENE IRENE IRENE "LONDON'S BEST NIGHT OUT." Sunday People. CREDIT CARD BOOKINGS 836 7611.

ALBERY. 836 3878. Credit card bkgs. 836-1071-3 from 8.30 am. Party rates Mon., Tues., Wed. and Fri 7.45 pm. Thurs. and Sat. 4.30 and 8.00. A THOUSAND TIMES WELCOME IS LIONEL BART'S OLIVER "MIRACULOUS MUSICAL." Fin. Times. "CONSIDER YOURSELF LUCKY TO BE ABLE TO SEE IT AGAIN." Daily Mirror.

ALDWYCH. 836 6404. Info. 836 5332. Fully air-conditioned ROYAL SHAKESPEARE COMPANY in repertoire Today 2.00 & 7.30. Mon. 7.30 last 3 perfs. Steve Gooch's THE WOMEN PIRATES ANN BONNEY AND MARY REAR. "more fun and thought-provoking than anything else on the West End stage" Time Out. With CORIOLANUS (next perf. Tues.) and final perfs. Strindberg's THE DANCE OF DEATH (from Thurs.). NOW BOOKING for AS YOU LIKE IT (from Sept. 30). RSC also at THE WAREHOUSE (see Other W).

ARTS THEATRE. 01-836 2132. TOM STOPPARD'S DIRTY LINEN & NEW ANSWERS "Hilarious . . . see it." Sunday Times. Monday to Thursday 8.30. Friday and Saturday at 7.00 and 9.15.

AMBASSADORS. CC. 01-836 1171. Nightly at 8.00. Matinees Tues. 2.45. Saturdays at 5 and 8. PATRICK CARGILL and TONY ANHALT IN SLEUTH The World-Famous Thriller by ANTHONY SHAFFER "Seeing the play again is in fact an utter and total joy." Punch. Seat prices £2.00 and £3.40. Dinner and top-price seat £7.50.

APOLLO. 01-437 2663. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.00 and 8.00. DONALD SINDEN "Actor of the year." Evening Standard IS SUPERB." N.O.W. SHUT YOUR EYES AND THINK OF ENGLAND "Wickedly funny." Times.

ASTORIA THEATRE. CC. Charing Cross Road. 01-734 4291. Mon.-Thurs. 8 pm. Fri. and Sat. 6.00 and 8.45. (Buffet food available). ELVIS "Infectious, appealing, foot stamping and heart-thumping." Observer. Seats £2.00-£5.00. Half-hour before show best available seats £3.00. Mon.-Thurs. and Fri. 6 pm perf. only. BEST MUSICAL OF THE YEAR EVENING STANDARD AWARD

CAMBRIDGE. CC. 836 6056. Mon. to Thurs. 8.00. Fri. and Sat. 5.45 and 8.30. IPI TOMBI Exciting Black African Musical "Packed with variety." Daily Mirror. Seat prices £2.00-£5.00 THIRD GREAT YEAR Dinner and top-price seats £8.75 incl.

CHICHESTER. 0243 81312. Today at 2.00. Aug. 29 at 7.00 THE ASPERN PAPERS Tonight, Aug. 28 & 30 at 7.00 LOOK AFTER LULU

COMEDY. 01-930 2578. Evgs: Mon.-Fri. 8.00. Sat. 5.00 & 8.30. Mat. Thurs. 3.00 EDWARD WOODWARD BARBARA JEFFORD in THE DARK HORSE by Rosemary Anne Sisson "Excellent family entertainment anyone of any age is likely to enjoy." S. Tel. "Darned good show." Sun. Times. "Americans will love it." Gdn. "A laugh a minute." D. Tel. "Opportunities brilliantly seized by first-rate cast. A most attractive and entertaining evening." E.N.

CRITERION. 930 3216. CC. 836 1071-3. Evgs. 8.0. Sat. 5.30, 8.30. Thurs. 3.0. NOW IN ITS SECOND YEAR LESLIE PHILLIPS IN SIX OF ONE A HALF-A-DOZEN HILARIOUS YEARS "Very funny." Sun. Tel.

DRURY LANE. 01-836 8108. Mon. to Sat. 8.00. Matinees Wed. & Sat. 3.00. A CHORUS LINE "A rare, devastating, joyous, astonishing stunner." Sun. Times. 3rd GREAT YEAR

DUCHESS. 836 8243. Mon. to Thurs. Evenings 8.00. Fri., Sat. 6.15 and 9.00. OH! CALCUTTA! "The nudity is stunning." Daily Mail. 8th Sensational Year.

DUKE OF YORK'S. 01-836 5122. LAST PERFS. TODAY 3 & 8 JOHN GIELGUD in Julia Mitchell's HALF-LIFE A NATIONAL THEATRE PRODUCTION "Brilliantly witty . . . no one should miss it." Harold Hobson (Drama). Instant credit card reservations. Dinner and Top-price seats £7.00.

DUKE OF YORK'S. CC. 01-836 5122. GODSPELL Transferred from the Shaftesbury Theatre for a further Ltd. Season. Opens Aug. 29

FORTUNE. 836 2238. Evs. 8. Thurs. 3. Saturday 5.00 and 8.00. Muriel Pavlow as MISS MARPLE in MURDER AT THE VICARAGE FOURTH GREAT YEAR

GARRICK THEATRE. CC. 01-836 4601. Evgs. 8.15. Wed. 3.0. Sat. 5.30, 8.30. TIMOTHY WEST, GEMMA JONES, MICHAEL KITCHEN in HAROLD PINTER'S THE HOMECOMING "BRILLIANT. A TAUT AND EXCELLENTLY ACTED PRODUCTION." D. Tel. "AN INEXHAUSTIBLY RICH WORK." Guardian. "NOT TO BE MISSED." Times

GLOBE THEATRE. 01-437 1592. Evgs. 8.15. Wed. 3.0. Sat. 5.00, 8.40. PAUL EDDINGTON, JULIA MCKENZIE, BENJAMIN WHITROW in ALAN AYCKBOURN'S New Comedy TEN TIMES TABLE "This must be the happiest laughter-maker in London." D. Tel. "An irresistibly enjoyable evening." Sunday Times.

GREENWICH THEATRE. 01-858 7755. WILLIAM DOUGLAS HOME'S Newest play THE EDITOR REGRETS Evenings 8.00. Saturdays 5 and 8. No perf. Bank Holiday Mon.

HAYMARKET. 930 9832. Evgs. 8.00. Wednesday 2.30. Saturday 4.30 & 8.00 PAUL SCOFIELD HARRY ANDREWS ELEANOR BRON, TREVOR PEACOCK and IRENE HANDL in A FAMILY by RONALD HARWOOD Directed by CASPER WRede "An admirable play, honest, well conceived, superbly worked out, freshly and artlessly written, richly satisfying. Paul Scofield at his best." B. Levin, S. Times.

HER MAJESTY'S. CC. 01-930 6606. Prevs. Evenings 8.0. Sats. 3.0 & 8.0. 30th Aug 7.0, Sat. 8.0, Thur. & Sat. 3.0. "INSTANT ENCHANTMENT." Observer. THE MATCHMAKER A Comedy by Thornton Wilder. "It goes down with a deserved roar of delight." D. Tel. For a limited season until Oct. 14.

JEANNETTA COCHRANE. 01-242 7040. National Youth Theatre. A new play by Peter Terson SOLDIER BOY. Evgs. 7.30. (No Perf. Mon.)

KING'S ROAD THEATRE. 01-352 7488. Mon. to Thurs. 9.0. Fri. Sat. 7.30, 9.30. THE ROCKY HORROR SHOW "DON'T DREAM IT. SEE IT."

LONDON PALLADIUM. 01-437 7373. Monday next for 1 week only Twice Nightly 6.15 and 8.50 GLADYS KNIGHT AND THE PIPS

LONDON PALLADIUM. 01-437 7373. September 4. For one week only THE MAX BYGRAVES SHOW

LONDON PALLADIUM. 01-437 7373. Sept. 25. For One Week Only. LENA MARTELL MICHAEL BENTINE, WAYNE KING LYRIC THEATRE. 01-437 3686. Evs. 8.0. Mat. Thurs. 3.0. Sat. 5.0 and 8.30 JOAN PLOWRIGHT FRANK FINLAY FILUMENA by Eduardo de Filippo Directed by FRANCO ZEFFIRELLI. "TRIUMPH." Ev. News. "AN EVENT TO TREASURE." D. Mir. "MAY IT FILL THE LYRIC FOR A HUNDRED YEARS." Sunday Times

MAYFAIR. 629 3036. Air cond. Evs. 8.0. Sat. 5.30 and 8.30. Wed. Mat. 3.00. WELSH NATIONAL THEATRE CO. DYLAN THOMAS'S UNDER MILK WOOD

MERMAID. 01-248 7656. Restaurant 248 2835. Evenings 7.30 and 9.15 EVERY GOOD BOY DESERVES FAVOUR A play for actors and orchestra by TOM STOPPARD and ANDRE PREVIN. Seats £4, £3 and £2. NO ONE WHO LOVES THE ENGLISH LANGUAGE AND THE HIGHEST COMIC ART CAN POSSIBLY MISS THIS PLAY." S. Times. "At last a meaningful and brilliant and serious political play." Clive Barnes. NY Post. Run extended to September 30.

NATIONAL THEATRE. 928 2252. OLIVIER (open stage): Today 2.45 & 7.30. Mon. 7.30 MACBETH. LYTTELTON (proscenium stage): Today 3 & 7.45 Mon. 7.45. PLUNDER by Ben Travers. COTTESLOE (small auditorium): Prom Season: Evgs 8 (until Sept. 2) THE PASSION. Many excellent cheap seats all 3 theatres day of perf. Car park. Restaurant 928 2033. Credit card bkgs. 928 3052. Air Conditioned.

OLD VIC. 928 7616. PROSPECT AT THE OLD VIC (prior to the Edinburgh Festival). Derek Jacobi in IVANOV "Theatre at its best" D. Mail. Chekhov's comedy, with Clive Arrindell, Brenda Bruce, Michael Denison, Louise Purnell, John Savident and Jane Wymark. Today 2.

ARTS/COLLECTING

Shakespeare and the Edinburgh Fringe

THEATRE
B. A. YOUNG

Edinburgh is only one item on the Royal Shakespeare Company's whistlestop tour of the UK, and they have deliberately found themselves a home of temporary character, the gym at Daniel Stewart's and Melville College, Queensferry Road. There they have set up their rough wooden stage, backed it with the plain grey cloth of John Napier's design, and erected four gantries for lights, and on this simple set they play a *Twelfth Night* of sparkling intelligence and fun.

It seems as if every line has been taken down and spring-cleaned. This is the third *Twelfth Night* I have seen this year, yet it might have been the first I've seen ever, so freshly do the jokes and the romance and the tension spring from the brisk, uncomplicated direction of John Amiel. He has a strong company to work with, for though this is a touring production it is by no means a Second XI fixture. Ian McKellen brings his matchless comic talent to as funny a Toby Belch as I can remember, the lines adorned with well-placed frowns, giggles, yawns and side-long winks that polish them to a new brightness. This Toby, a sportsman in tweed plus-fours, is a man of high intelligence; whatever he does, he does with complete foresight of the consequence. Mr. McKellen has cast all the accepted qualities of the part overboard and erected a fascinatingly different character from the same material. He is well-partnered by Roger Rees in a striped blazer as Aguecheek.

Mr. McKellen is happily rejoined by his old mate in the Actors Company, Edward Petherbridge, who gives a dignified and poetical young Orsino, whose affection for his page is never sentimental. As they sit together listening to Christopher Hancock's Feste sing "Come away, death" quite beautifully, Viola gently rests her head against his knee, and the glance Orsino turns on her at that moment says it all without a word. Viola is Emily Richard, rather a solid player who is at a disadvantage beside Suzanne Bertish as Olivia, for Miss Bertish, young and humorous, is herself one of nature's Violas. She makes an unusually sympathetic Olivia, whom I was glad to see burst into life as she exchanged her black mourning dress for her dazzling white wedding kit. Miss Richard, incidentally, is a very good physical match for Jeremy Blake as her twin.

Bob Peck gives Malvolio the proud gait of a marabout stork. When he changes into his yellow stockings, he also puts off the livery of servitude for white riding breeches and a patterned orange jacket, above which his butler's face, disfigured by a hideous smile, looks doubly ludicrous. He plays the pathos at the end with all comedy set aside.

I saw *Twelfth Night* at a matinee and the Festival Drama Company's *Midsummer Night's Dream* at the Assembly Hall the same evening, and perhaps this was hardly fair. The *Dream* was mostly shouted at us like an end-of-term school production, though Richard Easton as Theseus sometimes gave us some poetry (less so as Oberon, however), and so did Janet May as Hermia.

The play begins with Peter Quince's lot putting up the decorations for the wedding: Greek bouzouki music plays, but the flags are Italian. "Business as usual" might be the mechanicals' motto; all their laugns are obtained with business. Alan Dobie makes Bottom bray incessantly when he has his ass's head on, and allows his helmet to shut across his face too often as Pyramus. "Moonshine's" lamp goes out. "Wall" gets stuck in the exit. Bottom, who earlier has got the names of the attendant fairies wrong, proposes plastic as one of the materials for "Wall's" make-up. "Thisbe" suffers from a cough.

All the immortals wear body stockings suggesting nudity in various colours, Puck's (Jack Galloway) being hung all over with green moss. The costumes for the mortals are roughly of any time in the last century, as indeed are all the Shakespeare costumes at Edinburgh this season. This enables Philostrate (Colin Spaull) to take photos with a big old-fashioned camera.

The audience seemed to like it. The *Dream* is, after all, the most durable comedy of all time.

Rooting by Robert Holman and *Shifts* by John L. Hughes, my first two ventures into this year's Edinburgh Fringe, made an interesting comparison. Each is a still-life, a study of a single situation, composed but not advancing, influenced by the past though not the present; but while *Rooting*, at the Traverse, is clearly about real people from the everyday world, *Shifts* is about notional characters from the writer's poetic imagination.

The set for *Rooting*, designed by Grant Hicks, shows the interior of a pig-sty in which four small white pigs are snuffling around in grubby straw. The writer's father was a pig-farmer, and he has written admirable parts for the beasts which they play to perfection, never upstaging their human colleagues as they nose up their pignuts, scratch their barks against their troughs or occasionally quarrel over some imperceptible trifle. Outwardly, the humans are shown in hardly greater detail, but as they can convey their thoughts on a wavelength easier for us to pick up we learn more of what it is that affects them.

Robin, a young trainee (Paul Dalton), is worried about his future, especially about his sex-life, which seems to be turning out wrong. The old pig-hand Thomas (John Normington), looks forward to retiring to a small-holding, but is distracted by his wife's death from cancer. His daughter Jill (Pauline Saddler) is angry that she has not been allowed to visit her mother in hospital. The two partners in the farm express contrasting views on farming — Andrew (Roland Oliver), a former vet, wants to go in for more intensive breeding, David (Anthony Dutton) is going to retire and become a vet.

And that is all. But Mr. Holman writes with such sensitive understanding and such knowledge of the world he is illustrating that the long single act is intensely dramatic. The whole company, directed by Chris Parr, play faultlessly, dealing with one another and with the pigs as if they had grown up in such circumstances all their lives, and incidentally reproducing the North Yorkshire speech to perfection.

At the Music Hall in George Street (formerly the upstairs restaurant at the Festival Club) Mr. Hughes shows three simple men in an equally static situation. Major, Oliver and Mr. Price work in the subterranean paint-shop in a decrepit old factory in Wales where half way through Act One the staircase leading to their only way out collapses. But these are not real people at all, in spite of the histories they reveal in their long soliloquies—Oliver (Sean Mathias) and his operation for brain-tumours, Mr. Price (Dudley Jones) who killed his wife and his uncle Edgar when he found them making love, Major (Ronald Lewis, battling bravely against a broken arm) who ran away in the war when he was ordered to attack a machine-gun post.

They are only imaginary people, representing attitudes to life, and in consequence, despite colourful direction by Gareth Morgan for the Theatr Yr Ymyion, which is Welsh for Fringe Theatre, they do not come to life on the stage. They have no real contact with actuality. They hardly even wonder how they are going to get out, though Major is concerned at the prospect of being late for opening time at the pub. The word "union" only occurs once, and then it refers to marriage.

Visually the piece is effective, with John Fraser's towering set. Mr. Mathias as colourless as a troglodyte, Mr. Jones the essence of office-work, Mr. Lewis hiding his fear under an aggressive exterior. It is well played within its constricting limits. But *Shift* is not a play, it is a short story.

Roger Rees, Christopher Hancock and Ian McKellen in "Twelfth Night"

South Bank Schubert

MUSIC
ARTHUR JACOBS

A pity that neither London nor any other city in Britain has had the opportunity of seeing that Splendid Schubert Commemorative Exhibition on which I reported from Vienna two months ago. (Its 300-page illustrated catalogue, with text in both German and English, will surely become a collector's document.) Yet, in a sense, the South Bank Summer Music has itself put Schubert on exhibition — deliberately mixing firm favourites with the utmost rarities. Who, for instance, thinks of Schubert as a composer of concertos? Thursday's concert at the Elizabeth Hall by the English Chamber Orchestra presented him as almost that.

But "almost" still leaves an unbridgeable gap. *The Adagio and Rondo* for violin and string orchestra (D.438) hardly stands up on its own — not even with vivacious playing on this occasion from José-Luis Garcia, the ECO's leader. As for the "Wanderer" *Fantasy* in its piano-and-orchestra dress, this is the work of Liszt, who transcribed Schubert's original piano solo. Curiously, the result sounds neither like Schubert (because the re-written piano part has Liszt's own fingermarks) nor like Liszt (because Liszt's chromatic harmony is absent).

Still, it was worth its rare revival (in 30 years of professional concert-going I do not think I have heard the *Fantasy* once in the Liszt transcription.) Joseph Kalichstein tackled the piano part with a proper command of the style. The performance might have been more convincing with a conductor better able than Pinchas Zukerman to sort out the orchestral threads and regulate the climaxes.

It may seem ungracious to say so, since Mr. Zukerman is the deviser of this laudable summer series and one of its stars, as violinist and viola-player, but I cannot see an adequate basis for his self-promotion to regular orchestral conductor. His technique with baton and hands is still crude (sometimes the hands simply mirror each other) and the result on Thursday was some less-than-unanimous orchestral attack. Moreover, in such a work as Schubert's *Overture in Italian Style*, he showed an unfortunate readiness to damp down a natural crescendo just before its point of climax.

However, the *Unfinished Symphony* in its traditional rendering (Mr. Zukerman did not essay Schubert's own completion, as hypothesised by Gerald Abraham) could hardly fail of effect with this orchestra of such able players, well experienced in playing together. A notable and curious contrast was a set of minuets (D.89) performed by string quartet with double-bass reinforcement. One section, with bird-like twittering for the first violin, sounded as if either Schubert or the players had let fancy roam too far.

BBC Pop earns dollars

BBC Radio 1's pop music programmes are regular features on over 180 radio stations across the USA and bring in dollar revenue to the corporation approaching the billion mark. The man responsible for selling the programmes in the States is British born, Australian raised and New York based Michael Vaughan, and his wholly owned radio syndication company, London Wavelength.

Vaughan settled in the U.S. while managing the Easy Beats pop group and was struck by the dearth of British pop music on the radio. In 1972 he approached the BBC's Transcription Services Department and obtained the exclusive rights to represent all the BBC Radio 1 pop product in America.

Says Vaughan: "Radio 1 now gets more exposure in America through out syndication company than any other product from Britain or anywhere outside the States." But he is quick to give credit. "The BBC is absolutely unbeatable as far as quality is concerned. There are 50 top market areas and we are represented in them all. Those 50 markets cover 78 per cent of the total population and we have this coverage simply because we have the very best programmes in the country."

Radio in the States is a different animal from radio in Britain. The sheer quantity—some 7,000 stations—has much to do with their character. Explains Vaughan: "They are completely specialised and offer the public a wide choice. Each of the many stations in a market has its own format which it broadcasts exclusively. It may be talk, news, MOR music, hard rock, classical, black or the latest disco music. We syndicate to 183 FM AOR (Album Oriented Rock) stations.

"We give them the BBC shows such as the concert and items from Rock Line free of charge. Within each hour show there are nine minutes of commercial time. We keep four minutes which we sell to advertisers. The station gets five minutes to sell and collects revenue from local advertisers. The cost of one minute of our syndication commercial time runs from $2,000 to $3,500. Local advertising varies considerably. In New York a minute could run into the hundreds of dollars; in, say, Sacramento, California, in the tens.

"Because different station formats attract different audiences, a sponsor can pick the one he wants. For instance, one like Colt 45 beer would aim his commercials at the disco stations and black audiences. A tights advertiser would go on a talk format station while pimple cream, chewing gum, etc., would pick a 'top 40' teenage market station."

Research shows Vaughan's FM-AOR stations attract a big audience of 18 to 34-year-old males. Some of the participating sponsors are Toyota, Warner Lambert, Kodak, JVC, record companies like Columbia, Capitol and MCA, Peter Paul candy, the U.S. Army, Avon Cosmetics, Akai, Pioneer and many others.

London Wavelength is now one of the top three radio syndicators in the States employing a staff of 12 and based almost entirely on the BBC's pop music programmes. They have tried some BBC 2 Radio programmes such as the Bing Crosby and Bob Hope stories, but with little encouragement from the MOR stations who would use such material. They've also had discouraging results with the Sherlock Holmes stories and the Goon Shows.

SUE FRANCIS

THEATRES THIS WEEK . . . AND NEXT

THE OTHER PLACE — *The Churchill Play* RSC studio revival of Howard Brenton's riveting look at life in a 1984 British internee camp with strong performances by Paul Moriarty, Raymond Westwell (as Churchill) and John Nettles. Opened Monday.

JEANNETTA COCHRANE—*Soldier Boy* Another Peter Terson/National Youth Theatre effort has a disgruntled ex-SAS soldier making life uncomfortable for a group of schoolchildren in the Yorkshire Dales. Opened Tuesday.

ASSEMBLY HALL, Edinburgh —*The Tempest* Workmanlike production from the *od hoc* Festival company, Alan Dobie as Prospero, Janet Maw as Miranda. Reviewed Wednesday.

QUEEN'S — *The Passion of Dracula* Camp, witty off-Broadway import with George Chakiris as the Count and impeccable upper crust resistance from James Villiers and Richard Vernon. Smoke, stakes, garlic, crucifixes and howling wolves provide the atmosphere. Opened Wednesday.

LYCEUM, EDINBURGH — *A Month in the Country* Moscow Drama Company version of Turgenev's familiar comedy done in Stanislavsky fashion with plenty of strong playing. Reviewed Thursday.

THEATRE UPSTAIRS — *A Prayer For My Daughter* Interesting new American play by Thomas Babe set in a New York police precinct, an unglossy look at the world of Kojak. Opened Thursday.

SALISBURY PLAYHOUSE — *Under The Greenwood Tree* Patrick Garland's new musical adaptation is part of the local Hardy festival. To be reviewed on Tuesday.

Somerset Maugham's *The Letter* is at the Churchill, Bromley, on Monday, a musical comedy version of *Dracula* at the Leatherhead Thorndike on Tuesday and the Cambridge Theatre Company's *The Matchmaker* by Thornton Wilder arrives at Her Majesty's on Wednesday. Thursday's choice is between Prospect's *The Rivals* at the Old Vic and David Edgar's look at the sad, mad story of Mary Barnes at the Birmingham Rep.

Treasures from Spain

Spanish treasures which have never been allowed to leave the country are to go on show in London in November.

After months of negotiations, the Royal Academy has won its battle to persuade the Spanish government to part with them.

They will be part of the Eldorado Gold Exhibition from November 12 to March 18.

The pieces are from the renowned Quimbaya treasure presented to the Queen of Spain by the Colombian government in 1892.

Mr. Norman Rosenthal, exhibition secretary at Burlington House who conducted the negotiations in Madrid, said: "It is a remarkable loan. I think these items are unique. They date from AD 500 to AD 1000."

There are five gold figures, an incense burner in the shape of a human face and four small figurines, made to be worn on necklaces and used by the Indians in drug-taking rituals.

Mr. Rosenthal said: "The remarkable thing about these treasures is that they are perfect. The workmanship is marvellous and they are completely undamaged."

The Quimbayas were a tribe of Indians renowned for the skill and delicacy of their work in gold. The treasure was given to Spain for an exhibition to mark the 400th anniversary of Columbus's voyage across the Atlantic.

The Eldorado exhibition, with a total of 475 gold items, is designed to show the growth and development of Indian civilisation in Colombia.

Apothecaries' frogs in faience pots

COLLECTING
JANET MARSH

THE WITCHES in Macbeth seem like Curies if their prescriptions are compared with some of the remedies still used by European apothecaries well into the 18th century. The pharmacopoeia of the 1740s still advocated whey of frogs gathered in March as a certain remedy against haemorrhages, gout, cancer, erisypelis and redness of the skin; and a decoction of millipedes for respiratory disorders and ulcers of the bladder.

Oil of spiders was reckoned the best defence against plague, fever and smallpox, if the arteries were well anointed with it, while the oil of ants reanimated the spirits and preserved the seed.

Oleum Catellarum was a horrifying concoction of live earthworms boiled for 12 hours with a few cut-up puppies (the tails, no doubt, being reserved for the making of little boys), which was reckoned good for sciatica and palsy while the inaptly named Water of a Thousand Flowers was in fact compounded of unmentionable animal products, so that the daily dosage of three or four glasses, drunk before a long walk, seemed an intolerable price to pay for the cure of rheumatism and gout.

Not all the apothecaries' remedies were quite so repulsive. Simple oil of marjoram was reckoned sovereign for strengthening the brain and expelling the winds and worms; and Wild Pansy, Touch-Me-Not and *Zucchero Violato* are herbal remedies that sound a good deal more alluring than valium.

In any event, the contents of the apothecaries' cure-alls were disguised with sonorous titles like *Unguentum Aegyptiacum* and *Pulvis Acrophorus Laxantis* (which was a sort of primitive Seidlitz powder). More important, they were housed in ranks of earthenware containers that have come down to us as some of the most noble specimens of the arts of the potter and decorator.

Rudolf E. A. Drey's *Apothecary Jars: Pharmaceutical Pottery and Porcelain in Europe and the East, 1150-1850* (Faber, £17.50) is a new addition to the invaluable series of Faber Monographs on Pottery and Porcelain, which published pioneer works like Muriel Rose's *Artist Potters in England* and Bernard Rackham's *Medieval English Pottery* at a period when good books on ceramics were few and far between. Mr Drey has attempted a conspectus of the whole history of the centres where ceramic pharmaceutical wares were produced. Incidentally it provides a fairly comprehensive survey of the total history of the tin-glazed earthenware—Majolica, Faience, Delftware, depending on its provenance—from origins in the Middle East to migrations throughout Europe, including such notable flowerings as the potteries of Renaissance Italy and Spain, and 17th and 18th century Holland.

The needs of the apothecary were often a powerful stimulus to local ceramic industries. With the rise of apothecaries in the Middle Ages and the enlargement of their pharmocopoeia and *antidotario*, calling on hundreds of roots, spices, herbs, juleps, syrups, waters, electuaries, pills, powders, ointments and lohocks, there was a consequent need for suitable containers.

Pharmacies and dispensaries were set up not only by the apothecaries themselves, but were established in hospitals, religious establishments and noble houses, which is why so many of the earlier drug jars derive from large "services" or carry armorial devices. A few pharmacies have survived with their original uniform ranks of drug jars complete. Among others Mr. Drey illustrates the 17th century dispensary of the old Hôpital de la Charité in Lyons, and the New Pharmacy of Carlos IV in the Royal Palace of Madrid. A comparatively late installation, dating only from 1794, the jars in this pharmacy, all emblazoned with the arms of Aragon and Castile, are unusually made of porcelain rather than earthenware.

"In the history of ceramic art," says Mr. R. J. Charleston in his foreword to the book, "often all too little attention is paid to the commercial bases on which the ceramic industry rested in a given country or period."

Mr. Drey demonstrates that many workshops in ceramic centres like Florence, Castelli, Siena, Faenza, Castelli, Antwerp, Lambeth, Talavera, Lyons and Montpellier owned their prosperity, if not their actual foundation, to the patronage of pharmacies and monasteries. The *faienceric* of Montpellier, established in the 1560s and producing very distinctive wares (including a startling series of drug jars with the covers formed as realistic effigies of prelates and pothecaries) undoubtedly came into being—and for the first century existed—solely to serve the important school of medicine in the district.

Mr. Drey's map of the major production centres of Europe from Lisbon in the West to Warsaw in the East, from Marieberg in Sweden to Caltagirone in Sicily, indicates the vast range of local and national styles. Frontiers are sometimes blurred: you might have trouble distinguishing between some German and French tin glaze; and there are always areas of dispute between English and Dutch "delftware." The influence of early Italian majolica, too, was strong enough in more northerly parts of Europe to leave frustrating puzzles. On the whole, though, Mr. Drey's fine collection of illustrations shows how distinctive were local and period styles—the majesty of Hispano-Mauresque, the grace of French *faience*, the good sense of the English and Dutch pots.

It would be a formidable undertaking these days to attempt a representative collection of drug jars. Even the English and Dutch examples are comparatively rare on the market and costly. The tourist shops of Italy, Spain and France, too, provide discouraging evidence of very persuasive modern reproductions. Perhaps, though, we should not regard these new wares as "fakes" (except when they are offered under some other guise by antique dealers), since their primary purpose is still nostalgically to ornament the top shelves of chemists' shops.

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Living with reality

ON WHAT appears to be the hot, sticky threshold between the holiday season and the election season, the market has drifted into a cheerful coma. The summer dramas of a falling dollar and rising equities seem to have played themselves out for the time being, and investors seem relatively calm about the future. In the country at large this mood may be put down to a combination of a pleasant but delayed summer, and a tribute to the Prime Minister's masterly and carefully sustained inactivity; the latest polls suggest a slowly hardening preference for a Conservative administration under Mr. Callaghan to a radical one under Mrs. Thatcher.

Predictable

The apparent complacency in the markets, however, seems to rest on something a little more *solid than the image projected* by Uncle Jim. The whole economic system seems at last to have come more closely to terms with the inherently unstable world which was ushered in by OPEC and the floating of exchange rates. Inflation at rates which would once have caused panic is now accepted—not because people do not object to it, but because they think that they know within fairly narrow limits what the rate will be. Gyrations in the exchanges remain large but they do seem to swing about some discernible trend. Trade and growth remain sluggish outside the U.S.—and will probably soon be sluggish there too—but there is some growth left in the system. There is no longer any talk of national bankruptcy, the collapse of capitalism or of Western democracy. The system may creak, but it seems to work in a reasonably predictable fashion.

If markets are better adjusted to reality, it is partly because governments appear to be so. In this country especially it is realised on both sides that the growth that can be secured in a small open economy through depreciation or demand stimulation is hardly worth measuring against the risks incurred. A political system in which price stability is the greatest vote-winner is one in which the sillier and more expensive initiatives are tightly constrained. The market seems to be saying that in macro-economic terms the outcome of any election in the near future is unlikely to have any very dramatic results. The world-wide popular resentment of high tax levels now that real growth has slowed down is a brake on the economic growth of state activity in all developed countries, as the OECD has pointed out in a new study.

If the market feels that it is now reasonably adjusted to a future which is unlikely to spring major short-term surprises, it has also learned to swallow the surprises offered in official statistics with a good deal of coolness. Recent figures for trade, employment and the money supply have all been disappointing in various ways; but the market no longer needs Ministerial speeches to persuade it to reserve judgment on the figures for one or two months. The distortions wrought by seasonal adjustment and by portfolio adjustment in the banking system may well be producing an entirely spurious drama. The feeling in the air is of a steady though very gradual improvement, and it is that feeling which the markets are expressing.

Incentive

This convalescent calm is a great deal better than living in a permanent state of shock, but it is to be hoped that it does not last too long. It is certainly not true either that there is now nothing radically wrong with the British economy, or that there is nothing to choose between the prospect offered under the rival political parties. It would be a tragedy if the need to reform industrial relations, or to bring some incentive back into the economy, should be forgotten in the con*viction that radical change is* altogether too troublesome when we are not too desperately uncomfortable as we are. To adjust to reality as it is is not—or should not be—the same as accepting it for all time. In this sense the market, which often uncannily mirrors the national mood, is giving a warning rather than conveying reassurance.

Fortunately, though, this kind of sleepiness seldom lasts. We have seen radical changes in the leadership of the trade union movement, and the arrival of Toshiba *and Peugeot-Citroen* may be the beginning of some needed changes in industrial leadership. The election, too, could yet produce a more exciting result than the Prime *Minister might wish. Investors* may enjoy the present calm, but should hope for rather more turbulent times.

Lightning strikes twice in the BL toolroom

BY ALAN PIKE, Labour Correspondent

THE ATMOSPHERE within British Leyland after last year's toolroom strike was a little like that in Europe at the end of the First World War: few believed that such a catastrophe could happen again. Unfortunately it could.

The general outburst of relief at the end of the month-long strike—by far the most damaging since the State-financed rescue of the company—was so loud that it drowned the doubts which the strike leaders were even then expressing about the peace formula.

It is sometimes assumed that if a strike is called off, the issues behind it have been resolved to everyone's satisfaction, leaving all sides to face the future afresh. This was far from true in the toolmakers' case and anyone who has believed during the 18 months since they returned to work that the toolroom workers would never again bring BL to its knees has done so on the basis of nothing more than the vague premise that lightning seldom strikes twice.

But crisis point arrived again on Thursday afternoon, when Mr. Ken Cure, East Birmingham district secretary of the Amalgamated Union of Engineering Workers, emerged from a district committee meeting to announce that unless 32 toolmakers at BL's SU Fuel Systems factory called off a three-week-long stoppage by Monday, they would be expelled from the union.

The new crisis is one not only for the company, which could once more face appallingly damaging industrial action, but *also for the union—now speeding* along a collision course with an influential section of its own membership.

The immediate dispute at SU appears trifling, but has been intimately tied up with the BL toolmakers' wider battle for separate bargaining rights, pay parity and improved differentials which has been going on for several years.

In March, 1976, the SU toolroom went on strike protesting at delays, caused by pay policy, in implementing an agreement dating from 1974 which was intended to give them parity with BL toolmakers elsewhere in Birmingham. Disputes over similar parity and differentials issues broke out in other BL Midlands toolrooms, with the SU strikers and others defying AUEW executive instructions to return to work. It was with only the greatest difficulty that the union leadership regained control. Strike leaders were *called to London and, after* appeals to support pay policy and avoid action which would further jeopardise the company's market position, they finally persuaded their members *to return to work.*

The lesson of the whole affair was that discontent over parity and differentials in the toolrooms was *building up into* a much bigger dispute. This broke out exactly a year later.

Figures in a troubled BL landscape: current AUEW President Hugh Scanlon (left); incoming President Terry Duffy (centre); and Roy Fraser, leader of the toolmakers' unofficial committee.

BL's pay structure is being completely reorganised as part of the settlement of last year's strike. It is intended that from November, 1979, the toolmakers will be in the first grade of a four-tier structure with pay parity throughout the company. But the SU men are on strike again now because they say the past promises which they received on their 1974 grievances were not conditional upon the introduction of a completely new company-wide structure and they believe the two issues should be dealt with separately.

Continuing discontent

What appears to be a comparatively minor argument assumes much great significance because of the toolmakers' continuing discontent with the official AUEW leadership's handling of their grievances. In June the toolmakers voted to start withholding subscriptions until the union gave backing to their demands for separate bargaining rights. When the strike actually started in the SU toolroom, the unofficial committee which led last *year's stoppage immediately* began organising financial support for the strikers.

Clearly, it appeared to AUEW leaders, the toolroom committee was using the SU strike as *another excuse for a bigger* fight—"paid mercenaries" was how one district committee member described them after *Thursday's meeting at which the* expulsion decision was taken. The district committee's decision to take away the strikers' union cards if they do not return to work was endorsed as "courageous" by Mr. Terry Duffy, who becomes AUEW president in October, and heralds the start of a drive to rid the union of the influence of the toolroom committee once and for all.

Mr. Duffy inherited the toolmakers' problem as soon as he became the Midlands' member of the AUEW executive three years ago. They rejected his attempts to end last year's strike and some of the toolroom leaders made no secret of their preference for his opponent in the Presidential election. But Mr. Duffy won, and it will not be surprising if he wants to rid himself of the toolroom problem early in his period of office.

The existing president, Mr. Hugh Scanlon, occupies a very committed position on Leyland. His membership of the National Enterprise Board gives him a particularly intimate understanding of the financial problems which have faced the company and he has frequently and passionately appealed to hit members to play their fullest part in making the State-financed rescue a success.

The third leading character in the quite major drama which is building up within the AUEW is Mr. Roy Fraser, toolroom shop steward at Cowley and leader of the unofficial committee. Mr. Fraser is himself running for a seat on the executive, after polling an impressive 19,000 votes as an out*sider in the presidential* election, and believes that some of the union's internal structures need altering to give groups like the toolmakers more control over their own destiny.

Mr. Duffy made it clear on Thursday that if the toolmakers are not back at work next week, disciplinary action might not be confined to them. Members who gave financial support to people acting in breach of rule, he pointed out, were themselves liable to discipline. There was no need for him to go so far as naming Mr. Fraser.

The grievances of the toolmakers so far as their position in industry is concerned are by now quite well known. They feel that their skills and training are recognised neither in *their pay nor, perhaps even* more importantly, in their status. Of the 32 toolmakers involved in the start of the SU dispute back in 1974, about two-thirds remain today. Some have been promoted and *others have* retired. But others have left the engineering industry for less skilled jobs elsewhere—something which no toolmaker believes would happen if the toolmakers' contribution to industry was properly recognised.

During the past two years, the toolmakers' anger has turned increasingly towards their union and has exposed some of the huge contradictions with which its leaders have to live. No longer can the AUEW regard itself as the natural craft union in the car industry with the TGWU relegated to looking after the semi-skilled and unskilled. Today the leaders of both unions have to serve skilled and unskilled memberships with interests which are not always compatible.

To add to the difficulties the AUEW's structure makes pay bargaining the responsibility of district committees on which all members in a geographical area are represented. This does not allow the same amount of company or industry level responsibility for pay bargaining which is a common feature of many other unions.

Not first priority

All this helps to make the toolmakers feel swamped. They naturally welcome the moves which are being made towards pay parity in BL, but equal pay between one toolroom and another will not in itself solve the wider differentials problem. The toolmakers realise that representatives of the numerically-dominant manual workers are unlikely to go into negotiations with improved differentials for craftsmen as their first *priority.*

Suggestions that parity across the toolrooms alone will restore peace to the toolrooms are therefore likely to prove over-optimistic. The demands for separate bargaining rights will continue. So will demands for concessions such as staff status and parity with the staff-graded machine tool inspectors—and possibly some novel ideas like a craftsmen's right of veto over any national pay agreement in BL which does not protect their interests.

The question posed by the SU strike is whether the AUEW will be leading such a fight or resisting it. Mr. George Rogan, shop steward of the SU toolroom group, commented: "Our union regards itself as democratic and we are accused of refusing to accept the instructions of a democratically elected district committee and executive. But one of the tests of a democracy is the way in which it takes care of minority groups."

Threatening noises

It is by no means certain that, if the SU expulsions go ahead, the toolroom committee will call for further strike action although it has been making threatening noises in recent weeks. The committee prides itself on taking what it believes are reasoned and considered decisions. But if another toolroom strike were called, the AUEW executive would have to consider instructing other members to allow the toolmakers' jobs to be taken over by inspectors and supervisors — something which it was preparing to do just before the last strike was called off.

The executive would then have to hope that it could keep the bulk of the membership loyal to the leadership and it would have some chance of success. Toolmakers are regarded *as an elitist crowd* by many other engineering workers and AUEW Birmingham officials successfully persuaded 600 other SU workers to help overcome the effects of the strike earlier this week. Many members of the district committee which on Thursday decided to expel the strikers were themselves craftsmen, indicating that it is not simply a war between the skilled and the unskilled. Unofficial groups within unions are not, in any case, generally beloved by either officials or members.

There is little doubt that the toolroom committee has passed the peak of the power which it held at the time of last year's strike. But no one knows to what extent a fight over the expulsion of the SU strikers might revive that power.

Victory for the executive might be achievable only at a terrible price. The union would be running the risk of being able to gain unity only through mass expulsions or mass resignations.

The AUEW is no easier to lead than any other political coalition; but because it is a coalition, compromise frequently has to prevail and there will be many members this week-end hoping that an all-out blood-letting between the toolmakers and executive can be avoided.

As Mr. Fraser has commented, expelling members does not expel the problem.

Letters to the Editor

Taxation

From the Vice-President, the National Federation of Self-Employed and Small Businesses

Sir,—Is there no end to Sir William Pile's relentless attack upon the self-employed and small businesses? Your item on the back page "*Move for Earlier Payment of Tax*" (August 24) illustrates once again that the Inland Revenue headed by Sir William is determined to reduce the country's small business sector to *negligible* proportions.

The determination to achieve this end has been displayed clearly by the zealous activity of Revenue officials over the "in-depth" inquiries into traders' accounts which has resulted in many more small businessmen being asked for additional taxation and reducing their already pitiful reserves of working capital. This new proposal will accelerate the process and force *many more thousands out of business.*

It cannot be understood how any Government can so vociferously support, on the one hand, a policy of help and assistance to the small business sector (even to the extent of appointing a man like Harold Lever to study the problem) and yet so underhandedly allow Sir William Pile to continue his pillage of the very same individuals.

Why is it necessary to pay tax earlier? Upon commencement of self-employment the first year's accounts usually form the basis of three years' tax assessment and the person assessed under Schedule D pays tax for each part of the tax year during which he has been self-employed. Upon cessation, the actual basis is again implemented and the Revenue has the option to choose the maximum profit (either actual or previous year basis) for assessment over the last three years' business.

The study undertaken by the Inland Revenue indicates that the real policy of both the Government and the civil service is to rid the country of small businesses entirely. And yet imagine this at a time when there is already a dole queue of 1.6m. Eradicate the small businesses and a further 5m employees will join that queue.

It is encouragement that the small business sector needs and instead of squeezing the wealth creator dry, positive investment, practical assistance and an easing of the bureaucratic burden should be poured into this valuable sector of the United Kingdom's economy.

D. Dexter,
Rolleston House,
Bridge Street,
Horncastle, Lincs.

Secretaries

From Mr. B. Campion.

Sir,—I'd be the last to criticise the way we rightly eulogise the Secretary of the Year—and likewise I'd be loath to leer at all those qualities they quote for those who'd win this vital vote. The only thing that gets me down about the one who wins the crown concerns the never-changing gender of each year's *well-endowed contender.* We're now resigned to all the jollity of full-scale sexual equality—observing which it seems absurd they always have to choose a bird! It's true the journalists employ their yearly clutch of clichés coy about the gifts a girl requires when to this title she aspires, but notwithstanding all their quips re tender charms and slender hips and sitting on the boss's lap—why can't the winner be a chap?

B. Campion.
34, Treveneague Gardens,
Manadon,
Plymouth, Devon.

Circuitry

From Mr. K. Sweeney.

Sir,—Once again I am obliged to lay to rest some more misconceptions about our report on printed circuits (PCB) in the UK.

In response to Mr. Breen (August 21) I would make the following points. The average exports of the top 16 UK PCB manufacturers represent about 5 per cent of their turnover. The average pre-tax profit of these 16 is under 3 per cent per annum. None of the companies uses current cost accounting methods and thus their real profitability is unknown and certainly less than their published figures and the average 3 per cent already mentioned. Our report does not solely use Business Monitor figures but a compilation and cross-check of various sources from some 15 Organisation for Economic Co-operation and Development Governments. Even *though we are consultants,* we are able to distinguish between naked and pre-mounted PCBs. Our figures refer only to naked PCBs. We have reviewed the PCB industry substantially in recent months and while there are some *cosmetic improvements* the basic problems still exist in terms of the industry structure and profitability and productivity in a European context.

If Mr. Breen had actually read our report he would have noticed that we deal very favourably with most of the major companies, acknowledging good customer relations, quality, investment, etc. The report deals with the whole industry and not the tip of the iceberg which is represented by the few major manufacturers like Mr. Breen. It is the sincere wish of my company that the UK PCB industry does indeed revive and become internationally viable and profitable.

Kevin Sweeney.
Larsen Sweeney Associates.
PO Box 38, Maidstone, Kent.

Advertising

From Mrs. R. Waterhouse

Sir,—It is clear that Mr. Winston Fletcher (August 17) despite his facetiousness, has failed to understand the nature *of the sanitary protection market* in the UK.

The Price Commission report, to which Mr. Fletcher refers, was the report of an investigation into an application for a price increase from Southalls (Birmingham), the only UK manufacturer which covers the whole market. Southalls has only three competitors in towels and only one, Tampax, in tampons.

It is a market where women have no option but to buy. The market is stable, growing in volume terms at rather less than 1 per cent a year as the result of changes in the age structure of the female population and a slight increase in product usage.

The young girl, given an adequate degree of comfort and security, rapidly develops a brand loyalty which is price insensitive and which may last until she no longer needs the product.

In such a market where there is a lack of real competition, where market growth is minimal *and brand loyalty is high,* heavy advertising has two main functions, to establish and maintain market share and to prevent the entry of new competitors. The Price Commission estimated that an advertising expenditure of £½m to £1m would be needed for a new entrant to establish himself in the market. As Mr. Fletcher said: "Several companies have in fact tried, and are still trying, to launch themselves into the market in recent years." He does not say they have succeeded.

Mr. Fletcher's "little" knowledge about mass production costs—"that even at high volume production levels great *economies of scale are still* achieved when volumes increase further"—is therefore irrelevant and could be dangerous in this market. High expenditure on advertising can only increase the market share of one company at the expense of another and brings few benefits to anyone other than the advertising agent.

The Price Commission's observations, given the characteristics of the market, were clear "that advertising costs and such promotional costs as do not represent direct benefits to the consumer should be reduced and the savings passed to the consumer." Let us hope that Mr. *Fletcher's protests are a sign* that the manufacturers may be following this advice.

The Commission's views on the role of advertising are based not upon general dogma but on a study of each industry and its market structure.

(Mrs.) Rachel Waterhouse,
Price Commission.
Market Towers,
1, Nine Elms Lane, SW8.

Legislation

From Mr. N. Hewitson.

Sir,—In drawing attention to the complexities of the Consumer Credit Act and its regulations, Mr. Titchener (August 19) leads your sub-editor to believe that his attack is on bureaucracy. He correctly lays the blame, however, upon politicians who have placed the bureaucrats in an impossible position.

Current legislation, rooted as it is in "pressure-group politics" rather than in common-sense attempts to improve our social and economic circumstances, is full of examples of meaningless activity solely designed to provide good PR.

Not until Ministers acquire the courage to recognise vociferous special pleaders for what they are, and Members cease to be content with failing to understand the law they make, will these expensive charades no longer burden industry, commerce and the public at large.

N. Hewitson.
Cinder Paddocks,
Cinder Hill, Chailey, Sussex.

Pathetic

From Mr. A. Forrest.

Sir, — How pathetic of Mr. David Basnett (Back Page, August 21) to trot out the old Socialist cry that a vote for the Conservative Party would be a vote for "inequality, elitism, private affluence and public squalor."

Statements like this prove once again that it is in fact the *Socialists who wish to retain as* long as possible whatever divisions there may remain in society so that people like Mr. Basnett can justify their "elitist" positions in the trade union *movement. It is the sort of com*ment that the late Dr. Goebbels would have been proud of and, unfortunately, an early example of the flood of half-truths and downright lies to which we shall all be subjected in the run up to the General Election.

Andrew Forrest.
28, Granby Road, Edinburgh.

Land

From Mr. F. Salmon

Sir,—I was interested to read John Cherrington's comments on August 18 in his farming column, suggesting that perhaps young people wanting to farm or to enlarge a smallholding should wait until land becomes cheaper, one way or another.

In my opinion this is harmful advice, and also too pessimistic. There is still a chance for young people to get a start, either in the hills, or with pigs, or poultry, or hiring land for special cropping. Two young men who worked for me have started recently in this way, and with hard work, enterprise and initiative have quickly established themselves.

To pretend that land will become dramatically cheaper when inflation drives everything else up cannot be founded on any facts I have seen in the last 30 years, and it's still cheaper than an acre of linoleum; which was Lord Netherthorpe's criterion in 1950 when I wanted to start farming myself!

F. G. Salmon.
Hall Leys Farm,
Whitwell,
Nr. Worksop, Nottinghamshire.

Building

From Mr. C. Chetwood

Sir,—In support of your editorial of August 23 may I say that two points in the Direct *Labour Committee's Report* that need exposing are—first, that to compete with private contractors DLOs must be expanded, and second, the presumption that direct labour organisations are necessary to carry out new work or large-scale maintenance.

The efficiency of any organisation is never related to size and with the committee recognising at last that management and accountancy controls have been inadequate, there can be no justification for expanding DLO's present operations. In addition, no one has asked ratepayers whether they wish to pay extra on their rates for additional management and financial controls to prove what has already been established—that DLOs are less efficient than private contractors.

I wonder if anyone who has *a thousand pounds to invest* would put it into a building operation run by politicians.

C. J. Chetwood.
"Treeclose,"
Stoke Road,
Cobham, Surrey.

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Unloved gateway of the South

BY ARTHUR SANDLES

ANY BUSINESS travellers ou south east England find atwick a secret getaway point th its normally, uncluttered ublic areas and swift rail link ith London. Some short haul ights are more conveniently een through the airport, the ost recent addition being an er Iangus run to Dublin. And the very mention of the me Gatwick will bring furows to the brows of airline xecutives. Iberia of Spain and AP of Portugal are not alone feeling that being forced to atwick is the kiss of death. Air anada and Braniff have both pressed that view in the past months.

None of the airlines object Gatwick as an airport. It is fairly civilised place compared ith many, and certainly a different world from the rubbish p that Heathrow's terminal ou has been for much of the ast few years—the current ritish home for Iberia and AP. No, the real key to this ue is inter-airline transfer affic, and the two airlines that ve been told they must go to atwick next April, with the uspect of others to follow soon terwards, are terrified of the affic they might lose.

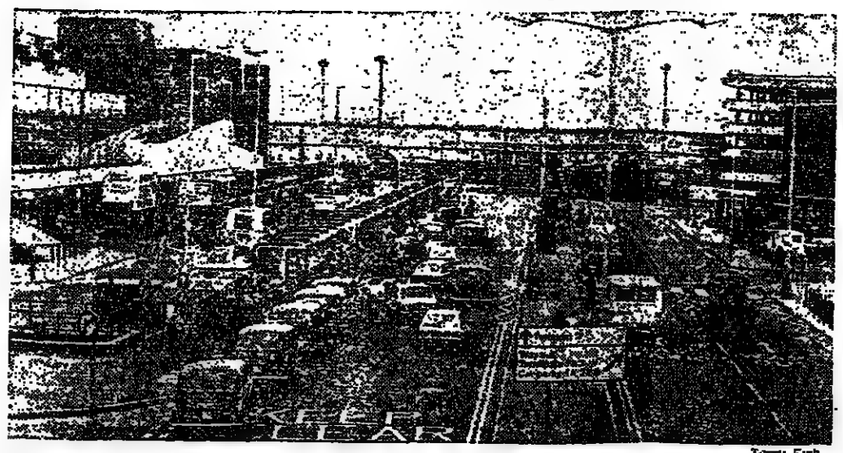
Heathrow is the world's rgest international airport hicago's O'Hare may handle nsiderably more flights, and en people, but Heathrow's affic is peculiarly cosmopolin. In spite of its drawbacks, e airport has become the rgest airways traffic junction earth. To tell an airline it annot fly there is like telling London taxi driver he must ay away from Victoria.

Particularly important in this ame is the Heathrow-Kennedy New York) route. Although lternatives are opening up fast, ennedy and Heathrow are the ajor gateways to their respecve continents, with feeder irlines pouring their traffic into e transatlantic flights of British Airways, Pan Am and TWA or wooing them away as they are landed. One of the alternatives is to enter through another European airport but still end up in Heathrow, perhaps for an internal UK flight. Iberia and TAP both carry traffic Kennedy-Madrid (or Lisbon)-London. Both fear they would shed traffic if the end destination were Gatwick not Heathrow. Whichever way you look at it, Gatwick is seen to be off the beaten track.

Some of the fierceness of the reaction to suggestions of a move can be seen by the way in which the Canadians behaved when it was suggested that all Canadian traffic should be moved out of Heathrow's crowded traffic handling area.

For a time it even looked as if the row would lead to a suspension of Canada-UK traffic. The problem is that Canada is already sensitive about being treated badly in comparison with its huge neighbour, the U.S. Air Canada was quick to point out that at the moment Canadian cities are often chosen as North American entry points for Europeans who are visiting both the U.S. and Canada. If Air Canada flights were forced into Gatwick then passengers might be tempted to use Detroit as an alternative entry point to Toronto, and Seattle as a simpler way of reaching the West Coast than Vancouver. British Airways might also lose passengers on its Canadian sectors, but since it serves the alternative airports its overall loss might be minor.

There was another near breakdown of aviation relations when Braniff started its flights from Dallas-Fort Worth to London. Although much of the argument was about fares, it also involved British Government insistence that Braniff used Gatwick, in this case with some justification, since British Caledonian was serving Houston from Gatwick. Braniff was forced in the end to submit and to use Gatwick as its British base. The sluggish start that the service saw before the summer boom put it firmly on its way is seen as evidence of the blight that Gatwick can bring an operator.



Terry Kirk

Heathrow's Terminal 2; the difficulty is getting in and out.

What makes matters worse is that, Braniff apart, many of the airlines being urged to go to Gatwick have long been established as users of Heathrow. Air Canada has been there since just after it opened for civil use in 1946, while neither Iberia or TAP are new to the airport. Airlines such as these resent having to make way for newcomers, and there have been a great many of them in recent years, particularly from the newer African nations and from the oil-rich Middle East.

The one gainer from all this is British Caledonian. The British independent made Gatwick its home a long time ago and has been fighting an almost lone battle for some years to get others to join it there. Every new route that comes into Gatwick puts BCal nearer to having an equal footing with British Airways as far as picking up transfer traffic is concerned.

It is difficult to see how the British Airports Authority and the British Government could solve the present problems without moving traffic from Heathrow to the other London airports—Gatwick, Stansted, and Luton. But both might show a great deal more interest in the communications between those airports if they really wished to demonstrate their enthusiasm for spreading the traffic load.

To understand how Heathrow and the BAA got themselves into this mess means looking at the history of airports. In the immediate post war boom two factors dominated airport planning—runway capacity and air traffic control. It was thought that the airlines would soon become so crowded that by the mid-1960s air travel might come to a halt. Airports designed for this era were a mass of criss-crossing runways and efforts were made to meet the rush. In the late 1950s, however, jet aircraft began to change the scene in the air, and computers and highly sophisticated navigational equipment came to the aid of the men on the ground. In a matter of a few years it was clear that jets carrying huge passenger loads and needing relatively short runways, were going to change the future pattern of air travel.

The congestion moved quickly from the runways to those once quiet terminals. Heathrow, with its complex net of runways, found itself short of space for terminal areas and the necessary parking and other service space that was required for this new mass traffic. Gatwick was a product of this second phase —it has only one runway and a relatively large central terminal building.

But the story moved on. We are now into phase three, and that is the phase in which terminal capacity, in the sense of the ability to handle people is less of a problem than the physical movement of people in and out of the airport.

Regular users of Heathrow will know that the major irritations of the airport are not what happens after check in or before completion of customs procedures. They are fighting your way to the check in desk, or getting your baggage back and escaping the terrible melee of the place after you have said goodbye to the customs man. Airports have become major generators of ground traffic. On some August days Heathrow can have 100,000 people passing through its doors. An airport designed to handle a heavy flow of piston-engined small aircraft finds itself having to adapt to a daily invasion as big as a Cup Final crowd, with all the strain on everything from parking to sewage disposal that this means.

Government in Britain, as elsewhere, is beginning to realise the extent of the problem. But the realisation does not mean that the solution will easily follow. There is a political problem in providing efficient ground transportation for airports. The best systems, in terms of time, do not seem to pay. Thus either central Government or a local authority has to subsidise the service and local taxpayers are not keen to support such activities for the benefit of rich air travellers.

Heathrow, with the aid of London Transport, has tried. The new tube link makes it a much more convenient airport than either Kennedy or Madrid.

There is scarcely an airport of consequence in the world which does not suffer from difficulties of some sort, since the rules of the game have changed so frequently, and the time lag between an investment decision and the actual opening of a new building can be considerable. Some airports, notably those in North America, succeed in disguising the difficulties. This is so partly because many major American airports embarked on a system of decentralised terminals while Europe clung to the large single building concept. In the U.S. it is normal for individual airlines to have their own departure lounges and arrival areas if not their own complete terminals. Travellers are quickly removed from the central area to the airlines' own dispersal points. This needs space, but it certainly places the service accent on the airline, rather than on the airport operator. There is already a tendency for this to happen at Heathrow, in spite of the cramped conditions, with more and more airlines acquiring their own exclusive departure gate areas and decorating them in their own house-styles.

Milling crowds

Distributing the passengers in this way may not, however, be entirely good for the airport authority. A great deal of revenue can be gained from milling crowds. Even the unpopular Gatwick gets more money from its shopping franchises, and from the rents it charges airport users, than it does from the aircraft that fly in and out.

To give credit to both the BAA and the Government, they saw years ago that there would be a need for more airport facilities to serve London and the south-east, and that to try to squash all the traffic growth into Heathrow would be asking for trouble—from environmentalists forced to put up with the noise and airlines and passengers forced to suffer congestion. To try to solve such problems is why Gatwick was developed in the first place, and why there is now pressure for the development of Terminal Four at Heathrow (after which no more developments there are planned).

What is undeniable is that Heathrow is likely to be clogged within three years or so, which is why the fourth terminal, designed to lift the airport's capacity from 30m to 38m passengers a year, is being sought by the BAA. But even this will not be ready until 1984, and that timescale depends on a prompt go-ahead after the current public planning inquiry is completed. With the fourth terminal, the pressures will be bad enough. Without it, Heathrow in the mid-1980s could very well look every day of the year as it does now on peak August weekends. It is to avoid this situation, that the BBA and the Government want to get more airlines to go to Gatwick.

But acknowledging that something must be done is rather different from finding a way of doing it. The Government over the past few months has tried to encourage airlines to move to Gatwick by means of quiet persuasion—and even some of the airlines which did not originally want to go there, such as Braniff, now admit they find it satisfactory. But more need to move, and the Government is now having to resort to enforcement—recognising the diplomatic difficulties and possible retaliation this may cause. Whichever airlines are chosen for the move (and the next on the list are said to be the Scandinavians) there will be political uproar. Some Governments have their own "little Gatwicks" within their own territories (the Spanish Government has suggested British Airways might be banished to Getafe, an airbase which does not have easy access to Madrid). The UK Government has picked up a nettle that is going to sting no matter how it tries to handle it.

On this page yesterday a picture of Mr. Hugh Jenkins MP was wrongly identified in the caption as a picture of Mr. Hugh Jenkins, investment manager of the National Coal Board Staff Superannuation Fund. We apologise for the mistake.

Weekend Brief

Sounds impressive

In view of what is involved it seems hardly apt to talk of what is happening to cinematic sound these days as a quiet revolution. However, a small factory building a couple of hundred yards from South London's Stockwell tube station is currently working flat out to ensure that the world hears John Travolta, Olivia Newton John, the Bee Gees, Marlon Brando and R2D2 in full blooded stereophony. These show-biz giants are all stars of current or soon to be shown films shot in Dolby stereo sound. The factory in Stockwell is the main Dolby production centre, providing the equipment for the filming process, and then equipping cinemas to show the final product. In the meantime Mr. Ray Dolby, the American Anglo-Irish who owns the company, is well on his way to his second fortune.

Dolby is doing for cinema sound what Technicolor did for movies. It is a revolution which was slow to start but is now being seized upon with frenetic enthusiasm by the industry. At the moment that small factory in Stockwell is equipping 50 cinemas a month with new sound systems — 700 of them have gone into the U.S. and the British total so far tops 40, with Rank having 18 and EMI [illegible] similar.

Ray Dolby is best known publicly from his name on most high quality cassette tape recorders sold today. Born in 1933 in Portland, Oregon, Dolby came to Britain in 1957, working at the Cavendish Laboratory in Cambridge until 1963. After that he did a spell as a scientific adviser with the UN in India and then set up on his own in Kensington to exploit patents he had taken out on his sound noise reducing systems. In very simple terms Dolby had found a way of washing sound so that what comes out of a loudspeaker is free from electronic interference and tape hiss. By the late sixties the hi-fi world began to hear about Mr. Dolby and his devices. First professional studios installed his equipment, Decca to his eternal gratitude being the very first, and then the tape deck makers. The big break-through was in 1971 when the steady flow of Dolby domestic system licence sign-ups became a flood and he signed such people as Sony and National Panasonic. Dolby collects an average of 21c (U.S.) on every *channel* a deck has (two for stereo, four for quadraphonic). More than 20m have so far been sold.

Dolby: track record

Dolby's dominance of the sound purity business in records and tapes is now unquestioned, main rival Philips largely gave up its own Dynamic Noise Limiter a couple of years ago, and now attention is being focused on films.

Cinematic sound is pretty bad, many films making up with volume what is lacked in quality. If you don't understand what is being said in some pictures, don't blame the actors, often it is the means of recording and playback. You can tell how bad the sound is sometimes when film soundtrack is replayed on radio.

Dolby moved to California in 1976 to exploit the film prospects (notice of a coincidence of changed tax laws for foreign nationals in Britain provokes embarrassment) but the manufacturing base of his empire remains here. His move came at the same time as a new wave of film interest in pop music and sci-fi—both fields which rely heavily on sound. Musicians were dismayed at Hollywood's sound techniques and began pressing for Dolby. In fact it was EMI in the UK which was one of the first studio owners to take a real interest on the production side, just as Rank has been his chief UK exhibition enthusiast.

The big break through's came with *Tommy*, starring the pop group The Who, and *A Star is Born*, with that determined lady Barbra Streisand in the leading role. The Who and Streisand gave audiences a taste of what this new sound could mean. The seal was finally placed on the system's acceptance when *Star Wars* was recorded in Dolby. Now there are more than 20 major films in preparation using the system.

In the U.S. the position has been reached where cinemas have to say in their advertisements whether they have Dolby stereo playback capabilities if they are not to lose audiences to rivals. In the UK Rank and EMI are not eager to get into that game. In London the ABC (EMI) 1 and 2 in Shaftesbury Avenue both have it, but none of the same chain's theatres in Bayswater or Fulham Road. The No. 1 screens of both EMI and Rank in many of the major city multiples are Dolbyised, but usually not the No. 2s or 3s. Rank's London Dolby stereo houses (also 70 mm) are the Dominion, the Leicester Square Theatre, and the Odeon's Marble Arch and Leicester Square. The Empire, the Plaza, the Ritz and the Warner complete the London list. See *Star Wars*, *Saturday Night Fever* or the forthcoming *Grease* and *Sgt. Pepper* in anything but full Dolby stereo and you are getting a little less than the best. More than 150 UK outlets have Dolby mono playback facilities—good clean sound but from one outlet only.

With several thousand cinemas left to tackle in both the UK and North America Dolby is now beginning to look at other markets. So far there are very few units outside those two areas, with none in France, Italy or Germany ("we are concentrating on the English speaking world, dubbing gives us additional control problems") so with each installation costing upwards of £2,000 Dolby has a long way to go before this second vein of income is exhausted. Meanwhile, however, the company is taking a longing look at television and radio sound. Beware, the Dolbyiser cometh.

Trevor Humphries

David Court: in the same boat (see Water ways)

Water ways

With the Norfolk Broads proving such an investment magnet these days it was inevitable that the City folk should eventually bring something of their financial complexities to these quiet East Anglian waters. The awkward cross currents have been provided not, however, by London, but by Dublin in the form of Guinness, which has just spent £1.5m on buying two inland waterway companies, by far the biggest of which is B. Wilds on the Broads. The smaller part of the deal is Loire Lines, a French company which the Guinness subsidiary Utonspur will presumably merge with its 70 per cent-owned off-shoot Blue Line Cruisers, which also owns boats in France.

The piquancy of this situation is that B. Wilds is one of the biggest members of the Hoseason marketing organisation, while Blue Line is marketed largely through the Hoseason deadly rival, Blakes. To make matters even more delightfully complicated Blakes, that one time club of small Broads boatyards, has as other members Ladbrokes (which not long ago bought Herbert Woods of Wroxham) and Rank (which via Butlins owns Richardsons of Stalham).

Ladbroke, Rank and Guinness may seem the most unlikely of bedfellows in Blakes but it is scarcely conceivable that any of them will wish to rock this particular vessel. Mr. Blake formed his company to market Broads rental boats more than 70 years ago. After a time the yards concerned got together and bought their agent out. "I am not quite sure now whether we are a consortium or a co-operative," says the present managing director David Court. Today the system means that of just over 2,000 rental boats on the Broads, Blakes markets 1,200 of them.

If you rent from one of the member yards you can expect free berthing and helpful attention from any of the others. Anyone who left the club would have to compete with this impressive network, and so far no one has tried. Hoseasons, run by ebullient rival Jimmy Hoseason, has a similar system. If you are not a member of either group marketing can be tricky. Guinness thus finds itself in the Hoseasons brochure for domestic boats, and in the Blakes book abroad.

Both organisations have moved into Europe during the past five years, exporting boat rental expertise to France in such a way as to surprise the locals. British middle class families cruise the Canal du Midi in such numbers as to make parts of it indistinguishable from Maidenhead in mid-August—except that the wine is cheaper.

Highland fling

Over the past few weeks there has been a little more to talk about in the heathered glens of north eastern Scotland than the decimation of the grouse by sheep tick. With quiet Highland graciousness a measure of rivalry has developed among the local distilleries which concerns more than the product alone.

It all started when some of the whisky producers began to take their normal trickle of visitors seriously. Increasingly the distilleries have started to cater for these visitors and the whole thing has reached a climax over the past couple of years with the creation of the Whisky Trail, a route through the heather taking the motorist from still to still. Some proud names are to be found on the route, but one, perhaps the proudest of all, has been missing.

The Glenlivet distillery was the first whisky producer to get an official licence. Now owned by Seagrams, the distillery, producer of a magic malt brew that brings a sparkle to the tiredest eyes, held aloof from the Whisky Trail, even feeling, as one of the dignatories indiscreetly admitted, that such activities smacked of commercialism. Well, Highland pride, the lure of the tourist D-Mark and the prospect of on-going sales by tourists who love to say to their friends "I've been there, you know," have overcome any such reluctance.

Glenlivet has sunk more than £50,000 in a new reception centre for visitors, a place which offers antique whisky making exhibits, a recreated illicit still set in mini-glen and, of course, a chance to taste the present day real thing.

My own vivid memories of the scene have been further underlined by a meeting with Mr. Robin MacLellan, chairman of the Scottish Tourist Board, at Inverness airport. The chairman had made his way from Glenlivet by car to Inverness but, as the mists swirled around the glen, he decided that trousers might be more suitable for the flights than the kilt. Pulling into the side of the road he waited until all seemed deserted. Stepping from the car, he contrived to remove his kilt and start putting on his trousers. Suddenly, out from the August fog, came the sound of another vehicle. In his flurry of activity Mr. MacLellan succeeded in dropping a wallet, whose contents of pound notes were scattered over the road. Apparently the car passed as the Tourist Board chairman was in the midst of deciding which he should catch first, the kilt, his trousers or the pound notes, and he is still wondering what the passers-by made of the scene.

ARTHUR SANDLES

Korchnoi blunders

WORLD CHESS

LEONARD BARDEN

VIKTOR KORCHNOI is up against it in the World Chess Championship at Baguio City, in the Philippines. The 47-year-old defector had to resign both the 13th and 14th games of the series within an hour, and Anatoly Karpov, the 27-year-old Soviet world champion, has since consolidated his 3—1 overall lead with two steady draws.

Karpov is now half-way to the target of six wins, the draws not counting. In keeping with the tone of the occasion where both sides use every opportunity to upstage each other. Karpov and the USSR delegation celebrated his double success with a champagne party at which Karpov blew out three candles on a cake, in retaliation for Korchnoi's two-candle party to celebrate his second year as a defector.

The match really went sour for Korchnoi in game 13. At adjournment his position was strong, but the Korchnoi team were over-confident, analysed badly, and missed Karpov's best defence. Soon after resumption Korchnoi refused a draw by repeated moves, and overpressed in an effort to make up for his lost position in game 14. Result—a blunder and a decisive attack for Karpov.

After his third defeat, Korchnoi changed his opening strategy, and brought back the French Defence 1 P-K4 P-K3 which helped him do well against Karpov in 1974. But Karpov is now playing with increasing confidence and more like a great champion.

Economic Diary

Statistics expected to be published next week include:

THURSDAY—Department of Energy publication Energy Trends. Department of Employment Gazette includes unemployment (July—final): employment in the production industries (June): overtime and short-time working in the manufacturing industries (June): and stoppages of work due to industrial disputes (July).

FRIDAY—U.K. Balance of Payments (Pink Book) 1967-77.

AN OFFER FROM M&G

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"The top performing unit trust of 1977 was M&G Recovery which jumped by 115.9 per cent." SUNDAY TELEGRAPH 11.7.78

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EITHER £1,000 Complete this section to make a Capital Investment (minimum £1,000). Do not send any money. (A contract note will be sent to you stating exactly how much you owe and the payment date. Your certificate will follow.)

PLEASE INVEST £ in ACCUMULATION. INCOME units (delete as applicable) (Accumulation units will be issued if the M&G Recovery Fund at the price ruling on receipt of this application.

I declare that I am not resident outside the United Kingdom, the Channel Islands or the Isle of Man (if either and I am not acquiring the units for the benefit of any person resident outside the United Kingdom. (If you are not a British citizen, declaration must be made by the purchaser or stockbroker.)

SIGNATURE DATE

OR £12 Complete this section if you wish to start a Life Assurance Policy by paying monthly premiums (minimum £12 a month).

I WISH TO INVEST £ each month in the M&G Recovery Fund.

I enclose my cheque for the first monthly payment, made payable to M&G Trust (Assurance) Limited.

I understand that the payment is only binding when and not the company will not assume risk until formal notification of acceptance has been issued.

OCCUPATION DATE OF BIRTH

NAME AND ADDRESS OF USUAL DOCTOR (to whom reference may be made)

Are you an existing M&G Plan holder? Yes/No

If you cannot sign Part I of the Declaration below, delete it and sign Part II

Declaration PART I: [illegible]

Declaration PART II: [illegible]

SIGNATURE

DATE

Registered in England No. 1048259. Reg. Office as above

THE M&G GROUP

COMPANY NEWS

S. Pearson attributable ahead 19.8% to £7.9m halfway

AS INDICATED last month in connection with the offer to acquire the minority interests in Pearson Longman, net profits of £7.87m attributable to S. Pearson and Son for the half year to June 30, 1978, are 19.8 per cent higher than the same period last year.

The principal divisions of the group produced good results and current conditions remain reasonable, the directors say. Full year profits are expected to be satisfactory and to justify the payment of the already indicated total dividend rise of just over 21 per cent.

However, on present indications, the comparative rates of increase in the profits of Pearson and Pearson Longman for the first half should not be taken as representative of the comparative outcome for the year as a whole.

Earnings per ordinary share in the first half, before extraordinary items, are shown as 11.49p (9.59p).

	Half year 1978 £000	1977 £000
Turnover*	159,420	131,053
Profit before tax	22,115	19,018
Minority interests	5,114	4,626
Pre-tax attributable	17,002	14,392
Total tax*	9,151	7,624
Attributable	7,871	6,568
Extraordinary credit†	1,728	336
Net surplus	9,597	6,912
Dividends	1,062	1,378

* Excluding banking and investment income. † Including overseas tax £2.14m (£1.93m). ‡Debit. §Mainly on sales of investments by investment trust subsidiaries.

An interim dividend of 3p (2p) has already been declared and the directors intend to recommend a final of 5.25p for which Treasury consent has been given. The proposed increase in the total is regarded by the directors as a step towards a higher level of distributions.

Last year, a maximum permitted total of 6.80927p was paid when net attributable profits were £16.25m.

S. Pearson is a widely diversified group with interests in banking and finance, newspapers and publishing and in the industrial and commercial and property fields.

Turnover of the subsidiary, Doulton and Company was up by £17.71m to £101.26m and attributable pre-tax profits were ahead by over £1m from £5.27m to £6.36m after minorities of £215,000, against £335,000.

After tax £3.62m (£2.88m), including overseas £1.11m (£0.92m), net attributable profit came out at £2.74m compared with £2.38m.

On March 30, 1978, the 21 per cent. minority interest in Doulton Glass Industries (Holdings) was purchased.

Doulton

	Half year 1978 £000	1977 £000
Turnover	101,262	83,551
Profit	6,579	5,398
Minority interest	213	133
Pre-tax attributable	6,366	5,265
Tax	3,620	2,884
Net attributable	2,733	2,381
Extraord. credit	—	14
Making	2,733	2,395

Pearson Longman

REPORTING TAXABLE profit ahead from £9.16m to £11.39m for the first half of 1978, the directors of Pearson Longman say the surplus for the year is expected to be satisfactory.

First half performance was in line with the indications given in July.

The profits of the Financial Times for the whole year are likely to be materially lower than last time owing to a higher level of costs expected in the second six months, a major part of which are in connection with the subsidiaries long term expansion, the directors warn.

Tax for the half year took £6.08m (£4.74m) leaving earnings per 25p share ahead from 10.2p to 12.53p. A net interim dividend of 3p (1.75p) has already been declared. Last year a final of 4.236p was paid from record profit of £21.4m.

Under the terms of the scheme, as known members would receive one fully paid ordinary 25p share in S. Pearson, plus 30p cash or 30p nominal of the loan stock. Holders of 5½ per cent preference would receive 60p cash and holders of the 7 per cent preference 80p cash.

	Half year 1978 £000	1977 £000
Turnover	82,223	69,103
Financial Times	16,808	14,295
Westminster Press	38,455	31,374
Longman Holdings	17,317	14,342
Penguin Publishing	9,914	8,628
Ladybird Books	2,529	1,718
Less internal turnover	398	337
Profit before interest	11,147	9,844
Financial Times	2,990	1,867
Westminster Press	5,621	5,684
Longman Holdings	2,579	2,317
Penguin Publishing	300	149
Ladybird Books	572	261
Pearson Longman debit	14	15
Net interest payable	571	232
Profit before tax*	11,386	9,161
Taxation	6,679	4,773
UK	5,537	3,991
Overseas	351	315
Associates	771	353
Minorities	161	108
Attributable	3,175	4,313
Dividends	1,348	797
Retained	1,827	3,516

*Includes associates. £510,000 (£329,000).

SUITS Board denies 'split'

Mr. Tiny Rowland, chairman of Scottish and Universal Investments and chief executive of Lonrho, denied yesterday that the SUITS Board was "split" as a result of Lonrho's takeover bid earlier this year.

Mr. Rowland told SUITS shareholders at yesterday's AGM in Glasgow that relations between the directors were friendly even though there had been a disagreement on the terms of the Lonrho offer which is now being investigated by the Monopolies Commission.

He was supported by Mr. Hugh Laughland, the chief executive and one of three directors to oppose the Lonrho terms, who told shareholders: "You do not achieve trading results like we have done if everyone is at everyone's throat. On trading and development policy we are as one."

He added that the current year had started well and that pre-tax profits for the first quarter showed a satisfactory increase over the same period last year.

Mr. Rowland told shareholders that the results of the Monopolies Commission investigation were likely to be announced in mid-October.

Wace doubles midterm

At the same time as reporting their June 30, 1978, half year figures the directors of Wace Group announce the acquisition of Gee and Watson for £532,500, with effect from January 1, 1978, conditional upon shareholders' approval.

Pre-tax profits of Wace more than doubled from £75,530 to £156,500 on turnover ahead slightly to £1.19m, against £1.15m. The directors say that in view of the uncertain economic and political outlook, any forecast for the second half would be unwise.

They add that trading continues at a satisfactory level, although owing to seasonal trends, second half profits have been lower, in the past, than the first half.

Earnings are shown as 5.96p (2.37p) per 20p share and the interim dividend is effectively raised from 0.525p to 0.7p net—last year's final was an adjusted 1.05p from record profits of £135,000.

Unaudited management accounts to Gee for the six months to June 30 show profits before tax of some £167,700 on an historical cost basis. Balance sheet show net assets at December 31 1977 of £692,000 (£781,000).

Trading continues at a satisfactory level, the directors add.

Application for the relisting of Wace shares will be made on September 18 and dealings are expected to commence on September 25.

Nelson David slips to £60,000

A decline in the trading profit level from £205,585 to £183,736 at Nelson David left the taxable surplus down £7,728 at £60,409 for the year to March 31, 1978, after interest of £123,327 against £137,448.

At halfway, when profit fell from £47,534 to £18,907, the directors said that the slowdown had been due almost entirely to a decrease in the sales of vehicles but this had been rectified to some extent in the second half.

During the year sales by the group, which retails and repairs vehicles, were maintained at £7.32m (£7.55m). After tax of £30,592 (£42,500) earnings per 5p share improved from 0.43p to 0.32p. Again there is no dividend. The last payment was paid in 1972 when profit was £32,982.

There was an extraordinary debit of £13,662 (£35,000) leaving available balance of £17,155 (loss £9,363).

Halftime loss at Norvic

THE DIRECTORS of Norvic Securities, investment holding and management company, report pre-tax losses of £94,000 for the first half of 1978 against £137,000 profits last time.

Mr. C. L. Metcalfe, chairman, said at the AGM in May that the company would show a trading loss for the period—loss incurred was £79,000 compared with £120,000 profit.

External sales were ahead at £8.82m (£8.2m) and were split as to: UK £5.88m (£5.05m) and exports £0.99m (£1.14m).

He adds, however, that the forward order position is good, and the directors expect a distinct improvement in second half results.

As forecast, there is no interim dividend this year, against 0.8p net last time, and the directors say that any final payment will be considered in the context of the full year's results—last year's final was 1.4p from profits of £220,000.

	Six months 1978 £000	1977 £000
External sales	8,819	8,196
Trading loss	19	†120
Realised invest. profit	9	41
Conv loan interest	24	24
Pre-tax loss	94	†137
Tax credit	45	—
Preference div.	1	1
Loss attributable	47	†138
Interim dividend	—	60
Carried forward	87	†73

† Profit.

Second Alliance increase

GROSS REVENUE of Second Alliance Trust Company rose from £2.14m to £2.27m and after tax, revenue emerged at £1.23m for the year to July 31, 1978, against £1.16m last time.

Earnings are shown as 6.4p (5.9p) per 25p share and a final dividend of 4.3p net makes the total for the year 6.3p (5.85p).

Investment Trust of Guernsey

For the six months to June 30, 1978, net revenue of the Investment Trust of Guernsey rose £32,000 to £167,000 but the directors say second half revenue is unlikely to show proportionately as substantial an increase as the first half.

The second half downturn will be due to the incidence of payments of dividends to the company, the directors say.

The gross interim dividend per 30p share is raised from 2.5p to 3p, but shareholders may receive new ordinary shares in lieu of the net cash interim payment.

Net asset value per share at June 30 was 212p against 192p at December 31 last year.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
F. Austin	0.43	Nov. 2	0.4	0.61	0.55
Elys (Wimbledon) int.	0.74	Dec. 6	0.67	—	2.75
Samuel Heath	2.25	Sept. 27	2.01	3.25	2.91
S. Hoffnung	2.81	Oct. 16	2.75	4.3	4.24
Inv. Tst. Guernsey int.	3?	—	2.5	—	7
G. F. Lovell int.	2	—	Nil	—	Nil
Norvic Secs. int.	Nil	—	0.8	—	2.2
Palmerston Trust	1.14	—	1.04	1.73	1.57
Sec. Alliance Trust	4.3	Oct. 9	4	6.3	5.85
Wace Group int.	0.7	Oct. 16	0.525	—	1.575
Abwood	0.38	—	0.25	0.58	0.25
Alliance Trust int.	2.35	Oct. 23	2.2	—	7.1

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Gross throughout. § As forecast. To reduce disparity.

Hoffnung slumps in second half

WITH SECOND half profits more than halved from £2.54m to £1.21m, pre-tax profits of S. Hoffnung and Co., for the full March 31, 1978 year, slumped from a peak £4.53m to £2.78m. Turnover was down slightly at £105.3m against £106.8m.

The directors state, however, that profits for the 1978-79 year will show an improvement, even though first half results are unlikely to reflect this trend.

At the interim stage the directors reported a downturn in profits from £1.99m to £1.57m and said they expected the full year's figure to be lower overall.

Earnings are shown as 8.66p (13.92p) per 25p share and 8.35p (12.91p) fully diluted. The dividend is stepped up to 4.2992p (4.235p) net with a final of 2.8142p.

There was an extraordinary credit for the year of £166,000 (nil)

● comment

Despite the company's half time warning, a 39 per cent pre-tax profits slied at S. Hoffnung left the shares 7p lower at 80p After the previous year's excellent results, recovery could now be a long haul. Historically Australia accounts for some 90 per cent of sales and the recent downturn in spending there has badly affected profits. The latest budget has done nothing to help in the short term, although the staff measures may appear the right medicine in about 18 months. Worst affected this time were the wholesaling and agency sides. The latter handles a large amount of import business and this was hit by a weak Australian dollar which fell 5 per cent against sterling over the period. Meanwhile, one bright spot has been the much better showing from UK-based G and M Power Plant, helped by worldwide demand for power generation equipment. At 80p the shares are selling at just under nine times earnings and, on a virtually unchanged dividend, yield 8.3 per cent.

S. Heath holds £0.54m

AS FORESHADOWED at the interim stage when taxable earnings were ahead from £174,000 to £264,000, for Samuel Heath and Sons the second half of the year to March 31, 1978, showed a sharp deterioration. However the company, which makes brass and other metals products, ended the 12 months with profit marginally lower at £541,266, against a record £542,083 last time, on sales up from £2.34m to £2.67m.

In January the directors had warned that the strength of sterling was eroding margins and the group's competitive position in export markets.

The net dividend is stepped up to 3.245p (2.90588p). Tax took £196,616 (£255,886) leaving the net balance ahead from £286,197 to £344,650.

Bisgood Bishop falls into loss midyear

THE DIRECTORS of Bisgood Bishop and Co., stock jobber, report a pre-tax loss of £135,810 for the year to April 28, 1978, against a profit of £510,288 last time. Turnover, the aggregate value of sold bargains, was ahead from £859.9m to £783.5m.

	1977-78 £	1976-77 £
Turnover	783,483,000	859,921,000
Pre-tax loss	135,810	*510,288
Tax credit	52,000	†246,000
Net loss	83,810	*264,288
Extraord. debit	23,190	—
Dividends	149,141	144,375
Leaving loss	256,139	*408,913
Brought forward	2,098,371	1,689,458
Carried forward	1,842,232	1,280,545

* Profit. † Debit.

Mr. C. J. K. Bisgood, chairman, says that the reference to the Monopolies Commission on the merger with Smith Brothers—now lapsed—had a disturbing effect in some quarters, both psychologically and in jobbing terms. Also, the number of bargains in the second half fell some 20 per cent, so the business there was, he adds, tended to be far larger than the size of the market and often unprofitable to transact.

The dividend for the year is maintained at 17p per 10p share with a final of 12p, payable on October 2.

There was an extraordinary debit for the year of £25,180 (nil)

See Lex

F. Austin behind at £0.36m

THE DOWNTURN in first-half profits from £330,000 to £163,000 at F. Austin (Leyton), caused by the recession in the furniture industry, was not made up in the latter period and the company finished the full year to June 30, 1978 with taxable profits behind at £360,000 against £537,000 last time.

Turnover for the year fell slightly from £8.62m to £8.34m. The dividend is increased to 0.61035p (0.5465p) net, the maximum permitted, with a final payment of 0.44633p.

UNIT TRUSTS

Focus turned to overseas to escape dilemma

Holders of UK equities funds have done well this year with UK equity prices nudging their all time high values. But what is going to happen in the future? There is a big question mark over the UK market and investors face the dilemma of whether to take profits, hold on or even increase their investment. It is usually good investment sense to have a portfolio that is diversified geographically so that risks can be minimised and the returns improved by moving into overseas equity markets.

This is the message this week from two groups. Schlesinger Trust Managers consider the future prospects for the UK very uncertain and therefore offer the Schlesinger International Growth Trust as the investment vehicle.

A unit trust investigating overseas is the most simple and cost-efficient of spreading a portfolio. This trust has quite a diversified holding—44 per cent in America, 17 per cent in Japan and smaller holdings in Australia, UK and France. The fund has performed extremely well this year rising by 23 per cent. But it is a trust for the capital-conscious investor, its yield is only 2.58 per cent gross. The minimum outlay is £500.

Arbuthnot Securities is still concentrating on the investment potential of the U.S. market. Its Arbuthnot North American and International Fund at present is invested over 90 per cent in the U.S., with considerable holdings in smaller companies. The managers take the view that these smaller U.S. companies are not affected by falling exchange rates nor are they held back by overseas interests. The yield on this trust is even lower, only 1 per cent gross, so it is very much a trust for capital growth.

In complete contrast, the M and G Group is advertising its successful M and G Recovery Fund. The investment aim of this fund is to get above average capital growth by investing in those U.K. companies which are potentially sound, but have fallen on hard times. Many of these companies recover in time but while experiencing trouble the share price is depressed. This fund was the top performer in 1977 and although not in the top few this year has nevertheless outperformed the index.

Investors can either put down a lump sum, minimum £1,000, into the fund, or making regular investment, of at least £12 per month, through a life contract linked to the fund. These regular payments qualify for life assurance tax relief.

Finally, Gartmore Fund Managers have just published the second edition of its guide to unit trusts and services. More investors are turning to unit trusts for their equity investment, rather than making direct purchases of shares. The guide is intended to help investors understand the functions and services of unit trusts.

Results due next week

Major company announcements are a bit thin on the ground next week when the City gets back into gear after the Bank Holiday. Wholesale grocer Linfood is the only big group reporting prelims, but interims are expected from Ladbroke and John Laing, with all eyes fixed on plans for the latter's property investment and development division. BOC International is announcing nine-month figures while other results to watch are interims from former Slater Walker outfit Britannia Arrow on Tuesday, the Weir Group and Pearl Assurance on Wednesday, Matthews Wrightson and the BBA Group on Thursday, and first-quarter figures from Johnson Matthey on Wednesday.

BOC International is announcing nine-month figures on Wednesday and pre-tax profit estimates range from £47m-£48m (£60.4m) or £21m-£22m for the third quarter. Profits for the first half were well down, largely due to the gases division strike which is estimated to have cost the company £5m. Problems, however, remain: conditions in the UK are still difficult while any improvement in overseas earnings (resulting from the Airco consolidation) is likely to be partly offset by higher interest charges. Airco's showing, in fact, has been disappointing and despite its forecast of increased profits for the year, earnings net of tax were 11 per cent down at the half-way stage. One question occupying the minds of some observers is the possibility of another rights issue next year. Estimates of BOC's final figures range from £70m-£75m (£82m).

In the light of company indications that profits for the full year are likely to be around £31m (£24.3m), brokers expect Ladbroke interim figures due on Thursday of £13m-£13.5m (£10.9m). With the holiday, hotels and casino side more important to the second half, racing has apparently led the field with betting turnover believed to be up by about a quarter, against the industry average of 15-20 per cent. The entertainments side (bingo and social clubs) has also performed well while casino profits may be fractionally ahead of last time. More interest, however, surrounds the 1979 results and the possible impact of Royal Commission recommendations. Meanwhile Cashcade should be more significant next year when much of the start up and advertising costs will be out of the way.

If all goes to plan, and all the complexities are sorted out, construction group John Laing should unveil its scheme of arrangement next Thursday, together with the interim results, which will launch the group's property investment and development division as a separate listed company. If these details are announced then they could overshadow the half way figures. These are expected to come out at between £8m and £10m pre-tax compared with £8.7m. With the exception of private housebuilding, the construction industry is still rather listless. As for the scheme of arrangement there will be two key points under scrutiny: to what extent the property side is going to be a separate company and what value a full revaluation of the group's property will put on the investment property interests.

Linfood directors forecast a pre-tax figure in excess of £5m in documents accompanying an agreed offer for Wheatsheaf Distribution in April and analysts are predicting that the actual result will be £5.3m. It includes £450,000 which, according to the directors, stems from the release of a provision relating to Merchandise Promotions, the pink stamp operation. If this is taken out the resulting figure of £4.85m for the year to April 30 compares with £5.8m in 1976/77. The main reasons for the downturn are the absence of opportunities for stock profits following the slowdown in food price inflation and the drop in demand from independent grocers hit by the supermarket price war. The latter is expected to have a particularly harsh effect on second half figures.

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
Amal Tin Mines of Nigeria (Hldgs)	Friday	Nil	2.5‡	1.0
Centrovincial Estates	Wednesday	Nil	Nil	Nil
Crouch Group	Thursday	0.29875	1.82875	0.9075
Francis (G. R.) Group	Tuesday	Nil	3.367	Nil
Gripperods Holdings	Wednesday	1.0725	1.7525	1.089
Leigh Mills	Friday	—	1.12939	—
Linfood Holdings	Thursday	2.5	5.995	3.0
London and Gartmoor Inv Trust	Tuesday	Nil	1.31515	Nil
Parker Timber Group	Friday	Nil	3.445	Nil
Sobranie (Holdings)	Thursday	0.63	1.016	0.66
Stoddard Holdings	Wednesday	0.316	0.7942	0.326
INTERIM DIVIDENDS				
Allen Harvey and Ross	Tuesday	2.39875	2.38675	
Barton and Sons	Tuesday	1.0	1.72959	
BBA Group	Thursday	0.7019	1.3655	
Boosted	Thursday	0.5	0.8	
Brammer (H.) Co.	Tuesday	1.4	2.8	
Bridgewater Investment Trust	Thursday	Nil	Nil	
Britannia Arrow Holdings	Tuesday	Nil	Nil	
Church and Co.	Thursday	0.7	2.07	
Dorada Holdings	Thursday	1.65375	2.9215	
Fairclough Construction Group	Tuesday	1.1	1.765	
First Castle Securities	Tuesday	0.4949	1.3016	
Greenbell Group	Wednesday	0.5	0.5	
Hyman (I and J.)	Friday	Nil	0.158925	
Ladbroke Group	Thursday	3.0	4.0	
Laing (John) and Son	Thursday	1.25	1.58675	
Macfarlane Group (Clansman)	Thursday	1.615	2.025	
Matthews Wrightson Holdings	Thursday	3.2187	5.0653	
Mixconcrete (Holdings)	Thursday	1.2588	1.5153	
Nu-Swift Industries	Wednesday	0.00	0.306	
Pearl Assurance Co	Wednesday	3.34	8.72916	
Queens Moat Houses	Tuesday	0.125	0.2	
Quick (B. and J.) Group	Wednesday	0.6	0.57	
Scottish Agricultural Industries	Wednesday	3.0	7.0	
Scottish Northern Investment Trust	Tuesday	1.2	2.46	
Slough Estates	Wednesday	0.75	1.315	
Small (John C.) and Tidmas	Thursday	1.0	1.0	
Spencer (George)	Friday	0.75625	1.214375	
Thorgar Bardex	Wednesday	0.2	0.45375	
Weir Group	Wednesday	1.624	3.389	
INTERIM FIGURES ONLY				
BOC International	Wednesday			
Johnson Matthey	Wednesday			
Lonrho	Wednesday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † First quarter. ‡ Third quarter.

BIDS AND DEALS

Imps awaits probe decision on Eastwood and extends offer

WITH Government Ministers still considering the implications of the rival bids for J. B. Eastwood—from Imperial Group in the UK and Cargill of the U.S.—a decision on whether there is to be a Monopolies probe is unlikely to be known for another fortnight.

The Imperial Group said yesterday that it had been informed by the Department of Prices and Consumer Protection that a decision was unlikely to be announced before September 8.

Imperial which is bidding £38m for Eastwood—the poultry and eggs concern—and has received acceptances representing more than 92 per cent of Eastwood's Ordinary capital is therefore to extend its offer, which was due to close yesterday, until September 15. The move has the support of the Takeover Panel.

The delay in reaching a decision over a Monopolies probe has been caused by the concern being shown by the Employment and Agriculture Ministers over the implications of the bids for employment.

Eastwood has warned that a reference to the Monopolies Commission could lead to redundancies and lay-offs at the company.

Meanwhile, Cargill which has bid 132p a share for Eastwood—compared with Imperial's 160p a share offer—is pinning its hopes on a Monopolies probe, now that Imperial with the shares it already held controls a 94 per cent stake in Eastwood.

VANTONA/COMBEN TALKS BREAK DOWN

Bid talks by Vantona Group for the shares it does not already own in J. Compton, Sons and Webb (Holdings), military uniform manufacturers, have broken down.

The acquisition would have provided an ideal opportunity for Vantona to boost the dividend payment with a paper deal.

Earlier this month Vantona bought a 8.91 per cent stake in Compton but yesterday said that after talks with the Compton board, it had not been possible to reach agreement on the level at which an offer for the balance of the capital would be recommended.

Vantona, which has a dividend cover of more than four, recently reported a first half profits rise of 4 per cent. Its shares were last night unchanged at 127p.

The failure of the bid talks slipped 9p off Compton shares, which last night stood at 38p.

STANCHART/UNION BANCORP

The California Superintendent of Banks has approved the acquisition of Union Bank by Standard Chartered Bank.

The plan previously announced, still is subject to approval by the U.S. Federal Reserve Board and the Bank of England.

DUNLOP BUYING TRAILER CONCERN

Dunlop Holdings is to buy Rice Trailers of Cosby, Leicestershire, for about £450,000 to be satisfied by allotment of ordinary shares.

First part of the consideration, being equivalent to £332,000, has been satisfied by the allotment of 427,609 shares, and balance will be by the further allotment of shares early next year when, after audit, the final sum due has been ascertained.

Acquisition of this manufacturer of horse and cattle trailers will strengthen the position of Dunlop in the growing field of the equestrian, farming and leisure industries, the directors say.

BENLOX SELLS OFF SHOPFITTING SIDE

Further moves in the reorganisation of Benlox Holdings are announced together with the expectation that group results for the year to February 28, 1978, will show substantial losses.

The group has disposed of the whole of the shopfitting division comprising Olney Brothers and Interplan Electrics to Burns-Anderson. The consideration is £100,000 for Olney and £10,000 for Interplan.

In addition, Benlox has recently received from Olney Bros. an interim dividend of £70,000 for the current year. The total cash received will substantially reduce group indebtedness, the directors say, and will assist recovery from liquidity problems.

KAYE/BONSER

Further to the announcement of August 18, 1978 regarding the proposed offer by Kaye Organisation for Bonser Engineering, Kaye has purchased for cash 849,013 ordinary shares of Bonser at 43p per share. These shares represent the 10.8 per cent of the Bonser equity which was previously announced as being the subject of undertakings to accept the proposed offer by Kaye.

ASSOCIATES DEAL

E. B. Savory, Milln and Co. yesterday bought 10,000 Weston Evans ordinary shares at 1350 on behalf of Johnson and Firth Brown.

JFB stays out of Weston row

Johnson and Firth Brown is keeping clear of the battle between Weston-Evans and the three W-E directors which represent Birmingham and Midlands Counties Trust.

In its offer document to Weston's shareholders, which was posted last night, JFB notes only that its offer is 27 per cent higher than the 124p suspended bid from Birmingham.

In an accompanying statement, however, Mr Phillip Ling, JFB's general manager, does point out that because Birmingham, which holds 42.5 per cent of Weston has said it will not accept JFB's terms, "it may be possible for it to frustrate the wishes of the board, their advisers and a majority of shareholders."

He also claims that although JFB would be disappointed if the offer were to collapse for this reason, JFB's own plans and prospects do not depend in any way upon the acquisition of Weston. The statement also includes an estimate of profits of not less than £12m for JFB for the year just ended, compared with £11.1m last year.

Weston's chairman, Mr. F. Crosland, on the other hand, in an accompanying letter, tells shareholders that Birmingham's actions, first in offering 124½p itself and then rejecting JFB's 158½p is "totally inconsistent."

The Board of Weston has thrown itself entirely behind the JFB bid on the grounds that JFB's management style and its policy of expanding in engineering particularly in the U.S., is a continuation of its own outlook. In addition, Mr. Crosland says Weston will benefit from JFB's financial resources.

JFB reveals that its engineering division, which already produces the highest return on capital employed of any division in the group, is in the process of being streamlined into two or three areas. Weston would fit in well with this plan.

The documents also show that in the past few weeks JFB has been buying Weston shares in the market and now owns 2.1 per cent.

JFB's preliminary figures for the year to June will be published on September 14, the day before the first closing date of the offer.

RAKUSEN

The Stock Exchange listing of Rakusen Group shares was temporarily suspended at 164p yesterday pending what was described as "clarification of the position of the company."

AE/FLUIDRIVE

Associated Engineering's agreed cash and share bid for Fluidrive Engineering closed yesterday and under Stock Exchange rules directors must issue a statement regarding level of acceptances plus a decision on a possible extension of the offer before the market reopens on Tuesday.

SANGERS

Sangers Group's wholly owned subsidiary, Sangers Optics has acquired Springate, a privately owned optical business in Hampshire for a total consideration of £179,100.

The initial consideration of £135,102 has been satisfied as to £3,466 in cash and the balance by the issue of 164,657 ordinary shares of Sangers.

The balance of the consideration will be satisfied by the issue of further ordinary shares after the agreement of the accounts of the business.

Reed Intl. repays further £25m

Reed International is going to repay a further £25m of its foreign currency borrowing. This is in addition to the £24m it is to repay out of the proceeds from the sale of the group's South African subsidiary, Reed Nampak, to Barlow Rand.

Reed intends to pay back the whole of its outstanding SwFr 80m 6 per cent loan dated 1973-88. The loan will be terminated on July 20, 1979 — nine years ahead of the final date — at a price of £102½ per cent together with accrued interest.

The repayment will be funded out of the company's own cash resources.

At the annual meeting on August 3 Mr. Alex Jarratt, chairman of Reed, said that the group was actively pursuing ways of reducing its exposure to foreign currency loans.

The sale of Nampak to Barlow Rand will raise £39m for Reed. Of this £24m will be raised by Barlow outside of South Africa and Reed intends to use this amount to repay some of its Deutschemark borrowings.

The last balance-sheet, dated March 31, 1978, shows total parent company loans of £199.3m. Of this £166.5m was in foreign currency loans.

Following the repayment of the Swiss loan and assuming that the proceeds of the Nampak sale are used to pay off Deutschemark loans, Reed will be left with parent company overseas debt of £117½m. Of this some £46.3m will be in Dutch Florin debt and £31.4m in U.S dollar loans. However in both these countries Reed has substantial assets.

Reed will also be left with Luxembourg Franc loans of £13.7m and other Deutschemark loans of around £17m. If any other early repayments are being contemplated it is probable that they will be made in these areas.

SIME CHAIRMAN DENIES BID FOR GUTHRIE

Sime Darby Holdings chairman, Mr. Tan Siew Sin, yesterday denied in Kuala Lumpur reports that Sime was bidding for Guthrie.

He reiterated an earlier company statement that the board had no present intention to increase its investment in Guthrie. Last June Sime said the group bought 4.79 per cent of Guthrie in the market but gave no financial details.

NU-SWIFT FORMS NEW SWISS COMPANY

In conjunction with its Swiss concessionaire, Mr. Mark Herren, Nu-Swift Industries has formed a new company in Switzerland, Feuerloscher Nu-Swift (Schweiz), holding 51 per cent of the equity.

The prime purpose of the new company is to increase market penetration in Switzerland for Nu-Swift fire fighting equipment.

Over a period of years, Nu-Swift, on an already agreed basis, will acquire the remaining 49 per cent of the equity, the company thus becoming a wholly-owned subsidiary.

SIMON ENGINEERING

Simon Engineering has bought the remaining 50 per cent interest in Cheadle Plant Hire held by International Combustion, now a subsidiary of Northern Engineering Industries.

This acquisition gives Simon sole ownership of Cheadle, a company which had been jointly operated with Simon-Carves (a subsidiary of Simon) since its formation in 1964. Simon paid £900,000 in cash.

MULTILIFT

Multilift, a manufacturer of ground level demountable body systems and refuse collection vehicles, has acquired control of Stag Engineering.

Formerly owned by the National Freight Corporation, Stag Engineering will continue in the role of sales and service to the Multilift range of products throughout the north-west.

Chesterfield reorganisation

IN A final phase of its disengagement from Continental European property development Chesterfield Properties has sold its 50 per cent interest in its associate Chesterfield Ronson (Europe) (CRE). The sale, and a reorganisation of its remaining European interests means that Chesterfield will receive a net £1.1m in cash and will cut interest charges sufficiently to increase pre-tax profits by around £150,000 in a full 12 months.

Chesterfield's shares rose 3p to 360p on the news yesterday.

The European reorganisation has been carried out in a number of stages.

On August 18 Chesterfield sold its 50 per cent interest in CRE to Senhur Inc., a company controlled by Mr. Howard P. Ronson, for a consideration of FFr 1.1m (£1.7m) of which FFr 9.2m (£1.1m) will be receivable in cash on December 1, 1978, and FFr 4.7m (£0.6m) will be receivable in cash on July 31, 1979.

At the time of sale, the CRE group owned three investment properties, the 300,000 sq ft offices at 58/60 Avenue de la Grande Armee, Paris, 60,000 sq ft of offices at 48/50 Boulevard George V Bordeaux, and the 20,000 sq ft block at 32 Rue des Ponts de Comines, Lille. The book value of Chesterfield's investment in the CRE group as constituted at the time of sale was £0.8m.

In the second stage of the reorganisation Chesterfield contracted to purchase, subject to French exchange control approval, the CRE group's 72.86 per cent interest in Continental Investment Development SA ("CID") and its aggregate 76.45 per cent interest in CID's subsidiary, S.A.I. Elysee-Roosevelt ("SAIER"), bringing Chesterfield's total interest in both companies to 88 per cent. The consideration is to be FFr 16.7m (£2m), of which FFr 12m (£1.4m) will be paid by way of the cancellation of a debt of that amount owing by CRE to Chesterfield and FFr 4.7m (£0.6m) will be payable in cash on July 31, 1979.

Contracts have also been exchanged for the sale to a French company not connected with CRE or its shareholders of the property held by SAIER, the 20,500 sq ft offices at 35 Avenue Franklin D. Roosevelt, Paris, have been sold for approximately £1.6m. After this sale, the net tangible assets of CID and SAIER attributable to Chesterfield are expected to amount to approximately £2.6m and to represent a small surplus over the total cost of Chesterfield's investment in the two companies. These net assets will be represented substantially by liquid funds.

As part of the restructuring CRE itself has been reorganised. In April, 1978, its wholly owned subsidiary Chesterfield Ronson Europe BV (CREBV) was transferred at CRE's book cost of approximately £10,000 to a new holding company, Chestermead Investments Limited (Chestermead), which is jointly owned by Chesterfield and Mr. Howard P. Ronson.

CREBV holds two major Paris property investments. It has a 50 per cent interest in the 160,000 sq ft office scheme at Ilot des Mariniers and in the 160,000 sq ft office and shop development at Tour Albert Ier, Rueil Malmaison.

As a result of these transactions, Chesterfield will receive approximately £1.1m in cash, made up of £1.7m receivable from the sale of its 50 per cent holding in CRE less £0.6m payable for CRE's interest in CID and SAIER.

It is intended that these funds and the funds of CID and SAIER will be reinvested.

The £1.7m receivable from the sale of Chesterfield's interest in CRE represents a surplus of £0.9m over the amount at which the interests still retained by CRE were included in Chesterfield's consolidated accounts at December 31, 1977. Chesterfield continues to hold its investments in the two property interests of Chestermead.

In the chairman's statement attached to Chesterfield's 1977 accounts, reference was made to an estimated surplus over book value of £1.6m attributable to Chesterfield's associated company investments at December 31: £1.3m of this surplus related to its interest in the two property investments now held by Chestermead and £0.3m related to the interests sold.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

South Crofty, the recently floated mining subsidiary of Saint Piran, has made an agreed £2.2m bid for the Cornwall-based **Tehidy Minerals**. The offer comprises five South Crofty for every four Tehidy shares. Arrangements are in hand to underwrite the offer for 70p cash per share. The cash alternative, however, is conditional upon the offer becoming unconditional and will be available only up to the offer's first closing date. Earlier this month, Mining Investment Corporation made a bid for Tehidy shares other than the 685,000 it already owned. Mincorp's shareholding has since been increased to 25.8 per cent. Saint Piran, which holds 65 per cent of South Crofty, has bought the Mincorp holding at 70p per share and intends to accept the South Crofty offer.

Birmingham and Midland Counties Trust consider the cash and shares offer worth about £8½m made by **Johnson and Firth Brown** for **Weston-Evans** to be inadequate and will not accept in respect of its 42 per cent stake. BMCT state that it would seriously consider an offer which in its opinion adequately reflected the true value of Weston-Evans' shares.

The **Thomson Organisation** is extending its oil and gas activities to the U.S. by forming an on-shore exploration and acquisition partnership with **Monteith Minerals**, a privately owned American company.

Dome Petroleum, the Canadian oil and gas exploration company, is taking over Siebens Oil and Gas in a deal worth close to C$400m (£180m). Siebens has a stake in the North Sea via its 32 per cent stake in Siebens Oil and Gas (UK). The Siebens family, which has a controlling shareholding in Siebens, has agreed to sell to Dome—and so has the other major shareholder, Hudson's Bay, which has a 34.8 per cent stake.

Wrengate, an unlisted textile company in Manchester has agreed to buy 29.9 per cent of the clothing company **K. O. Boardman International** for £1m.

Toshiba, the Japanese electrical giant, has signed a joint venture agreement with **Rank Radio International** for the production of television sets in Rank's West Country plant. A new company called Rank Toshiba is to be set up with Rank owning 70 per cent and Toshiba 30 per cent. Rank is contributing its two factories in Plymouth and one in Redruth, Cornwall, together valued at £7m and employing 2,850 people. Toshiba's contribution will be £3m in cash plus the supply of technical expertise. The British Government has welcomed the deal and is making available £1.95m to the new company in the form of an interest relief grant.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid (£m's)**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Bonser Eng.	43*	42	36	2.58	Kaye Organ.	—
Cornercroft	65*	65	56	1.62	Armstrong Equipment	—
Crossley Building Products	105*	104	64	7.07	Bowater	—
Customagic	21*	16	19½	1.10	Mooloya Invs.	—
Eastwood (J. B.)	132*	142	90	31.53	Cargill	—
Eastwood (J. B.)	160*	142	125	38.22	Imperial Grp.	11/8
Fluidrive Eng.	94	92	82	6.47	Assocd. Eng.	—
Fluidrive Eng.	85	92	55	5.84	Thos Tilling	—
Henshall (W.)	20*	20	18	0.50	Bovbourne	—
Lyons (J.)	155	126	97	60.88	Allied Brews.	—
Orme Devpts.	55§§	52	48	9.85	Comben Grp.	—
Pearson Longman	272¾§	260	194	112.12	S. Pearson	—
St. Kitts (London) Sugar	200*	200	170	0.78	Industrial Equity	—
Tehidy Minerals	73	69	73	2.15	South Crofty	—
Tridant Group Printers	63*	77	55	2.78	Starwest Inv.	29/8
Wades Deptmt. Stores	102½*	98	63	2.11	Assoc. Dairies	—
Wades Deptmt. Stores N/V A	98*	96	60	3.56	Assoc. Dairies	—
Weston-Evans	124¾*	158	110	6.71	B'ham & Midland Counties Tst.	—
Weston-Evans	158½	158	133	8.5	Johnson and Firth Brown	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. ‖ Date on which scheme is expected to become operative. ** Based on August 24, 1978. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Based on August 25, 1978.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Aero. & Gen.	Mar. 31	321	(279)	8.8	(8.1)	2.286	(2.553)
Alexander (W.)	Mar. 31	2,340	(1,950)	16.2	(13.5)	4.85	(4.25)
Assoc. Dairies	Apr. 29	26,202	(23,941)	15.7	(14.2)	0.866	(0.774)
Meat Trade	Apr. 1	362	(461)	7.7	(9.6)	7.32	(7.21)
Restmor	Apr. 30	946	(818)	30.1	(28.2)	5.395	(4.83)
Saint Piran	Mar. 31	3,029	(2,093)	15.6	(10.5)	2.01	(1.812)
Smith Wallis	Mar. 31	341	(106)	16.2	(5.1)	3.419	(3.06)
Stocks (J.) & Sons	Mar. 31	564	(568)	33.0	(27.2)	4.329	(3.86)
Thames Plywood	Apr. 30	191	(272)	6.4	(5.7)	2.0	(1.815)
Victor Products	Apr. 30	1,210	(850)	27.8	(17.7)	3.38	(3.027)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Allied Insulators	June 30	605	(691)	1.65	(1.5)
Amalg. Metal	June 30	5,790	(4,190)	5.5	(5.0)
Bayner (C.)	June 30	201	(151)	0.3	(0.25)
Blagden & Noakes	June 25	2,505	(2,135)	5.0	(2.825)
Blue Circle	June 30	21,300	(22,300)	3.22	(2.59)
Braime (Bldgs.)	June 20	137	(192)	1.0	(1.0)
Brocks Group	June 30	407	(366)	1.54	(1.5)
Clay (Richard)	June 30	923	(768)	1.33	(1.04)
Fife Forge	June 30	201	(195)	0.8	(0.755)
House of Fraser	July 29	8,317	(5,571)	1.886	(1.689)
Johnson Gp. Cins.	June 30	1,343	(625)	1.3	(1.268)
LEC Refrigeratn.	June 30	997	(871)	1.052	(0.956)
Newarthill	Apr. 30	4,650	(7,850)	—	(—)
Ocean Transport	June 30	2,345	(26,144)	3.985†	(3.881)
Sunbeam Wolsey	June 30	11,120	(9,890)	0.962	(0.562)
Turner (W. & E.)	July 1	278	(185)	0.4	(0.344)
Wedgwood	July 1‡	1,681	(1,674)	—	(—)
Wolf Elec. Tools	June 30	1,389	(1,208)	0.625	(Nil)

(Figures in parentheses are for corresponding period)
Dividends shown net except where otherwise stated
* Adjusted for any intervening scrip issue. † Includes special dividend of 0.065p due to change in tax rate. ‡ First quarter.

Offers for sale, placings and introductions

County Commercial Cars: £1m 10.7 per cent cumulative redeemable preference shares.

Kensington and Chelsea: £5m £99½ per cent variable rate redeemable stock, 1983.

Scrip Issues

Elbief: One-for-one ordinary.

Restmor: One-for-two ordinary.

HOME NEWS

Sainsbury, Tesco ahead in High St. sales race

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE J. SAINSBURY and Tesco supermarket chains are beginning to pull away from the rest of the High Street multiples in the battle for a greater share of the grocery market.

Research carried out by the Audits of Great Britain company, and now circulating privately in the grocery trade, shows that Sainsbury's market share for the four weeks ending July 22 has risen from 10.9 per cent to 11.4 per cent. This is Sainsbury's greatest penetration of the grocery market.

Tesco's market share also rose—from 11.9 per cent to 12.2 per cent—but its growth rate last month was about half that of Sainsbury.

The big two multiples' growth appears to have been at the expense of some of the other major supermarket chains. ASDA, the Associated Dairies chain, which has been in the forefront in offering low prices from larger stores, has seen its market share slip back from 5.9 per cent to 5.7 per cent. This follows ASDA's disappointing profits growth this year, announced this week.

Fine Fare, the Associated British Foods subsidiary, has lost its fourth place in the market to Kwik Save and International Stores, the BAT Industries chain. Fine Fare's market share dropped from 4.2 per cent to 3.7 per cent—it had been 4.6 per cent earlier this year—while Kwik Save's share is 3.9 per cent, and International's 3.8 per cent.

Co-operative retail stores, however, remain the market leader in grocery sales—with 17.3 per cent of the market—although they are run as independent units, rather than than as centrally controlled multiple chains such as Tesco.

Audits' figures monitor only the sales of basic grocery items and do not give a complete picture of a supermarkets' business, especially the fast-growing non-food sales in most stores.

But they show that Tesco's Checkout promotional campaign—after its decision to drop trading stamps just over a year ago—and Sainsbury's Discount 78 campaign have proved more successful than their competitors' promotions.

The supermarket multiples have to decide whether to respond to the latest market share figures and plan a new price-cutting offensive in the autumn. International Stores, which has decided to drop trading stamps from most of its stores, seems likely to use the money saved from stamps for a price-cutting campaign.

Other supermarket chains are worried that profit margins have already been severely reduced and that any further price-cutting promotions could put some stores in trouble.

City heliport plans to operate from next April

BY JOHN BRENNAN, PROPERTY CORRESPONDENT

THE CITY OF LONDON'S first heliport could be in operation by April next year if plans just submitted to the City Corporation are accepted.

The scheme involves a floating "helistop" off Trig Lane Stairs, between Southwark and Blackfriars Bridges, with an executive helicopter taxi service running about 3,000 flights a year.

Captain Eric Brown, chief executive of the British Helicopter Advisory Board which made the application, said yesterday that preliminary talks with the City Corporation and the Greater London Council confirmed their willingness to consider the scheme.

The advisory board set up by helicopter manufacturers and operators to promote helicopter operations and flight safety in this country believes that there is considerable demand within the City for an executive service. The nearest heliport facilities now are at Westland Helicopters site in Battersea, and at the main London airports.

The City Corporation's architects are looking at the scheme and will be submitting their comments to the GLC's planners. On past experience the application is likely to take between six months and a year to process, and Captain Brown's "target date" for starting operations, next April looks rather optimistic.

The "helistop" would involve mooring two barge hulls next to the Trig Lane Steps, attaching two flight decks, and establishing a pontoon linking the take off area to the river bank.

Helicopter flights in London are restricted to the area between the high water marks of the Thames and below the 1,200 feet lower level of regular aircraft flight paths.

Junior Carlton Club sold

AN UNNAMED overseas company has bought the Junior Carlton Club in London's Pall Mall for a little more than £1m.

The buyer, acting through London agents and through a subsidiary, Commonwealth International Shippers (UK), plans to retain the club's facilities for members of its own staff visiting London.

The Junior Carlton merged with the Carlton Club in St. James's last year. Its trustees—advised by Knight Frank Rutley and Healey and Baker—have been having talks with a number of potential purchasers for some months. The overseas buyer, which is neither Arab nor a private investor, stepped in with its bid relatively late in the discussions.

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Other typical Fleet Street Letter winners are Leyland Paint at 24p—now 85p; J. & L. Randall at 45p—taken over at 120p; Zenith Carburetter at 45p—now 99p; P. C. Henderson at 38p—now 92p.

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MARGO MACDONALD
Fighting for the homeless

MacDonald to fight Scots seat despite job

By Ray Perman, Scottish Correspondent

MRS. MARGO MACDONALD, best known member of the Scottish National Party, is to continue her political activities in spite of taking up the full-time post of Scottish director of Shelter, the campaign for the homeless.

She said yesterday that she saw no conflict between the two roles. She would remain as senior vice-chairman of the party and would fight Hamilton at the forthcoming General Election.

"In common with most other candidates at the election, I will have a job. Shelter is on the side of the homeless and I am on the side of the homeless regardless of which political party is offering which particular solution.

"If there are any conflicts of interest, then I will be campaigning within the party to change its policy."

Mrs. MacDonald's critics within the party are already saying that the fact that she has taken the £4,600 a year post so soon before an election shows an element of defeatism.

Earlier this year, she failed to win Hamilton at a by-election in which Labour's majority was nearly doubled to 6,492.

There could also be moves to remove her from the key post of chairman of the strategy committee, particularly if there are clashes between Shelter's policy and that of the SNP over sensitive issues such as the sale of council houses.

New Wills list

GOODS AVAILABLE under the voucher and discount schemes run by W. D. and H. O. Wills for Embassy cigarette smokers have been combined into one catalogue, to be published on Tuesday.

Aldermaston unions debate safety moves

BY DAVID FISHLOCK AND LISA WOOD

PROFESSOR Margaret Gowing, in her history of atomic energy in Britain, tells the story of the casting of the first billet of plutonium at the Atomic Weapons Research Establishment, Aldermaston, in 1952.

It was night, and the metal—extracted by reprocessing uranium fuel from the early "piles" at Windscale and rushed to Aldermaston—was being melted in an argon atmosphere.

A ghostly blue flame appeared and scientists feared that they had their calculations wrong. What they thought they were witnessing was a "criticality"; a chain reaction, which would emit an intense burst of radiation—the blue glow—but no explosion.

"Well, boys, it's too late to run," said someone. Radiation travels with the speed of light. But all was well. The flame was produced by an impurity in the casting, and died away.

The hazards of plutonium—and there are several—had been recognised by Dr. Glenn Seaborg, who spelled them out in great detail for the U.S. Government a decade before.

Finite life

He told how and where great care would be needed in fashioning the metal to make the core of an atomic weapon. His memo was heeded, as a result of which there have been remarkably few accidents for such a dangerous new industrial material over the ensuing 36 years.

Aldermaston is both a research and development centre for work on nuclear weapons, and an ordnance factory where part of such weapons are assembled, periodically serviced, and finally taken apart again.

Nuclear weapons have a finite life because the fissile core—plutonium-239 or uranium-235—undergoes certain slow physical changes through radioactive decay.

Periodically it must be reclaimed, reprocessed to remove impurities which have accumulated, and refashioned into a fresh core—although this is not done at the research centre itself.

The working of plutonium metal—core of many though not all nuclear weapons—is therefore an essential activity of Aldermaston, although not a large part of its work. The basic idea behind a nuclear weapon is to bring a sufficiency of fissile material together quickly enough to form a "critical mass."

To arrange the parts so that such a weapon could be manoeuvred safely from factory to target, and exploded when—and only when—needed, is a surprisingly difficult thing to engineer. (It is also the reason why nuclear reactors cannot explode.)

Such a weapon consists of a minimum of a few kilograms of fissile material, precision-machined into several parts which can be fused together fast by conventional high explosives. The metal lenses, required to focus the shockwave from the high explosive, are also precision-machined.

To make sure that there are plenty of neutrons present to trigger the chain reaction, a small neutron generator called a trigger is put at the heart of the whole assembly.

Aldermaston, with 26 years of experience of working the metal, goes to extraordinary lengths to protect those who are working with plutonium. The technologies involved range from time-honoured practices such as casting to some very advanced ideas for precision machining.

All are conducted in "glove boxes" which isolate the operator completely from the metal, and which have their own reduced atmospheric pressure to ensure that no dust could be blown out through, say, a leaky glove.

The workers themselves carry personal radiation monitors, to warn of any leak, in addition to having regular checks for any traces of radio-activity they may have picked up.

On Thursday the Ministry of Defence announced that it was shutting all buildings at Aldermaston in which plutonium is worked industrially — by no means the whole establishment, nor even laboratories where small quantities are used in research.

The closure will have no effect on existing stockpiles of atomic weapons or their periodic servicing — essential if they are not to become unsafe.

In his report of the Windscale inquiry, Judge Parker spelled out certain facts about plutonium "because it was apparent to me that there exists much misunderstanding about it."

It was not true, he said, that it was man "invested" plutonium or that it is highly radio-active. It was not true that in all circumstances very small amounts of plutonium are lethal. "Insoluble particles when inhaled certainly are hazardous in small quantities. Considerably larger amounts could be eaten without harm."

It was not true, said the judge, that plutonium is safe only when protected by massive shielding. The metal could be sat on safely by someone protected with only a stout pair of jeans.

It was not true that plutonium was the most toxic substance known to man—there were isotopes of radium more than 100 times as toxic if inhaled. And it was not true that an escape of plutonium would be a unique disaster—a chlorine tanker could be more damaging.

In spite of the precautions, Mr. George Hughes, chairman of the joint union executive at Aldermaston, said yesterday: "Workers here, a steady, sober lot who understand the problems of the job, have, all of a sudden had their confidence in management shattered."

For years, workers had given regular urine samples in routine checks for contamination. Then, "out of the blue," 12 people were found to have plutonium levels up to twice as high as internationally recommended levels when a different monitoring system, called whole body monitoring was used.

Ventilation

"We had always depended on the scientists and management to protect us. Now we have found that the tests are not as infallible as we thought they were."

A 10-point charter, presented to management by the unions this week, included more monitors in active areas, more personal samples and whole body monitoring, the latter being something which it was felt should have been introduced into Aldermaston much earlier. The unions also wanted the ventilation system at the plant fully investigated.

They also wanted to have results of body monitoring given in layman's language. "I want them to cut out the scientific jargon, such as nanocuries, when they give us our results," said Mr. Hughes.

The unions have also been asking for some time to have lectures on the safety work of the establishment. These demands have been partly met, but the unions say there is still a need for more explanatory information.

For some time, there has been a severe recruitment problem at Aldermaston. Mr. Hughes said: "Management admits it is difficult to recruit because of the wages, the basic craft wage being £43 a week.

"People either won't come, or leave because of this, not because of fear. But there are a few youngsters who have been worried about plutonium possibly affecting reproduction."

Mr. Bill Hamilton, assistant secretary of the joint unions executive, said: "People leave here in droves. We can't keep skilled men because they don't get paid enough."

The Ministry of Defence has its own safety directorate, and this inspects laboratories such as those at Aldermaston, which have to comply with normal statutory requirements.

The Health and Safety Executive, which is connected with the Department of Employment, under the areas covered by the old Factory Act can inspect the laundries at Aldermaston, but not the laboratories. This they have already done.

The Health and Safety at Work Act 1974 covers, in general terms, areas such as Aldermaston, but at the moment the Executive, which is responsible for implementing the Act, is assessing the work entailed in Ministry of Defence research establishments, and intends to draw up a systematic inspection programme.

The Executive may assist Sir Edward Pochin, who is making a two-months inquiry into health and safety at Aldermaston.

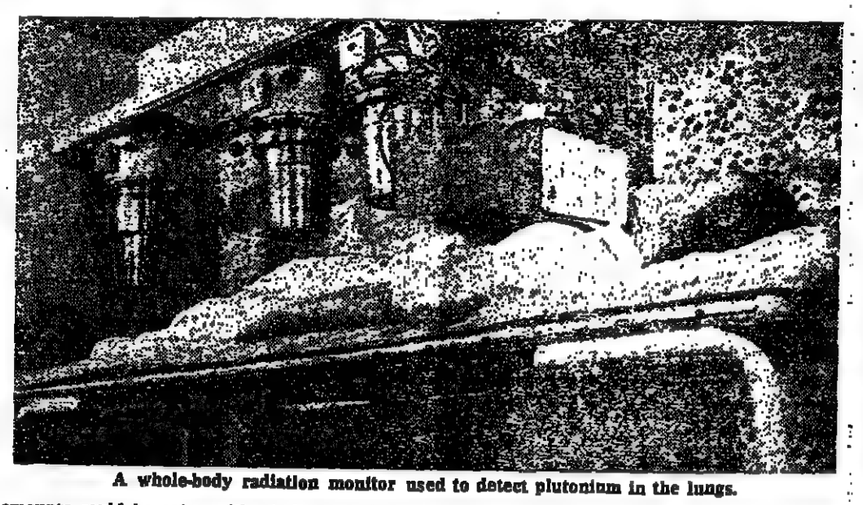
Another Government "watchdog", which acts in an advisory capacity is the National Radiological Protection Board at Harwell, where some of the whole body monitoring of Aldermaston workers is taking place.

The Board said that the maximum permissible lung burden of plutonium recommended by the International Commission on Radiological Protection was 16 nano-curies. The levels initially detected on some of the Aldermaston workers were up to 30 nano-curies although the figures proved difficult to reproduce.

There are two possible methods of removing plutonium from the body. One is by washing the lungs out under anaesthetic. The second is by using drugs.

Whole body monitoring has to be done in "steel rooms" constructed from reclaimed steel from old battleships sunk before the first nuclear explosions, and therefore very low in background radiation. The steel room at Harwell is made from armour plating taken from a ship sunk in 1915.

Aldermaston has been installing whole body equipment for some time, but the venture, costing £500,000, takes time because of the care needed to exclude all extraneous natural "background" radiation.



A whole-body radiation monitor used to detect plutonium in the lungs.

Report delayed

AFTER representations from the Monopolies and Mergers Commission that its report on the supply in to, and exports from, the U.K. of electricity supply meters cannot be completed by September 30, Mr. Roy Hattersley, Prices Secretary, has allowed the Commission an extension to December 31.

Mr. F. Grant

MR. G. F. B. GRANT, deputy chairman of Witan Investment Company, a director of Electric and General Investment Company, chairman of Greenfriar Investment Company and former chairman of Henderson Administration died yesterday. He was 66.

Mr. Grant was also chairman of John Foster and Son, deputy chairman of Commercial Union Assurance and a director of Foseco Minsep. He was until recently chairman of London and Scottish Marine Oil Company Limited.

He leaves a widow, three daughters and a son.

Liberal plans for employment stress farming and ecology

BY RHYS DAVID, NORTHERN CORRESPONDENT

THE LIBERALS approach to bringing down unemployment at the next election is going to have a strong ecological emphasis, according to the party's latest policy document, unveiled in Manchester yesterday.

The Liberals are backing the creation of more jobs on the land to enable Britain to grow more of its own food. The party also wants to see employment develop through further spending on energy and fuel conservation measures, and through the harnessing of new alternative technology energy sources.

The document, We Must Conquer Unemployment, by Mr. Vivian Bingham, chairman of the Liberal employment panel and candidate for Hazel Grove, also advocates further support for small businesses and producer co-operatives, which as well as encouraging innovation could also, it is claimed, increase the job satisfaction of those who move from "overmanned, unprofitable, and over-centralised companies."

The Liberals point out that at the end of every recession since the war the residue to hardcore unemployed remaining has increased, making it necessary to investigate radical new ways of creating new work.

Present Government policies which relied on temporary measures to alleviate the worst effects of unemployment and on the expectation of some improvement in the world economy, would not be adequate to deal with the problems of the 1980's.

The employment mix in the 1980s would have to be radically different from the present one and should be planned taking into account social as well as economic considerations, it says.

It should contain in manufacturing a highly trained, and flexible labour force concentrated in industries with high added value per employee. This sector would remain a significant part of the economy but would employ fewer people.

There would have to be greater recognition of the service industries and the role they could play in creating extra employment. North Sea oil wealth should be used to improve public services with the emphasis on ensuring that more people were employed on socially useful work such as caring for the sick and elderly rather than simply being engaged in administration.

Creation of more jobs in agriculture, alternative technologies and co-operatives formed part of the same strategy, but there would also have to be a start of plans to reduce the length of the working week and of the average employee's working life.

Berwick party seminar

BY RICHARD EVANS, LOBBY EDITOR

AROUND 50 Liberals from European countries are to discuss coalition government at a seminar next week at Berwick-upon-Tweed, the constituency of Mr. Alan Beith, Liberal chief whip.

The seminar, which will have simultaneous translation in English, French and German, is to last three days. It will be opened by Mr. David Steel, the Liberal leader, on Tuesday evening and will end with the participants travelling to Mr. Steel's home at Ettrick Bridge, Selkirkshire, for a reception on Thursday evening.

Mr. Michael Steed, the party's president-elect and a psephologist, conceived the idea of a seminar. It will also be attended by Lord Evans, the party's president, a minister in the present Swedish coalition government, a minister from the State government in Berlin and a former minister from Belgium.

CONTRACTS

Two water bombers for forest fires

The Canadian Federal Government-owned airframe builder CANADAIR, Montreal, has received a C$5.2m contract from Greece for two CL215 water bombers to fight forest fires. The Export Development Corporation will help finance the purchase with a C$4.4m loan.

★

Third-party computer maintenance company, DATA PROCESSING CUSTOMER ENGINEERING PTY. (DPCE), has been awarded a two-year A$206,000 (£123,000) contract to maintain the Sydney Stock Exchange computers. DPCE, which has an office in Wokingham, is known in the UK as the Australia-based company which won the maintenance contract for British Airways computers. The Sydney Stock Exchange contract is with Joint Exchange Computers Pty., a company formed by the recent merger of the Melbourne and Sydney Exchanges' EDP Departments. The Stock Exchange computer system is used for both on-line and batch processing and employs two Honeywell Information Services 2050 computers with Bunker Ramo front-end equipment.

★

The Central Stock Payment office of the London Stock Exchange has installed a third GCS 2100 source data entry system, consisting of 48k central processor, 29 megabyte disc units, 1,600 bpi nine-track tape drive and high speed matrix printer; and a network of eight remote key stations in the Stock Exchange's provincial centres—Birmingham, Bristol, Dublin, Glasgow, Leeds, Liverpool, Manchester and Newcastle. The system will be dedicated primarily to supporting these remote key stations which will access the central system via Post Office lines. The new system will also provide essential backup to the existing GCS equipment. The order is worth £55,000 to GENERAL COMPUTER SYSTEMS (UK), a subsidiary of the Telex Corporation, U.S.

★

Hygena, kitchen furniture manufacturer, has ordered a 4-Key-station CMC 5200 data entry system for installation at its Liverpool headquarters. The £30,600 system from the COMPUTER MACHINERY COMPANY, which replaces half a dozen card punches, will help provide the Norcros Group subsidiary with a "distributed processing" environment. The order writing, accounts and stores control departments will each have their own Key-station preparing data for input to the Hygena mainframe—a Univac 9060.

★

MYTON, a member of the Taylor Woodrow group, has been awarded a £750,000 contract by the Legal and General Society for the refurbishment of three floors at Bucklersbury House, Walbrook, London E.C.4.

WORLD STOCK MARKETS

Small losses on Wall St.

INVESTMENT DOLLAR PREMIUM
$2.60 to £1—95% (96%)
Effective $1.9270—44½% (45½%)

SMALL LOSSES were in the majority on Wall Street yesterday, attributed to uncertainties about President Carter's plans for resolving the problems of the dollar.

After rising 1.99 to 899.34, the Dow Jones Industrial Average finished 1.82 off at 895.53 for a net loss of 1.30 on the week. The NYSE All Common Index, at $59.22, shed 4 cents on the day but was still up 16 cents on the week. Losses led gains by 774-to-746, while the trading volume decreased 2.31m shares to 36.19m.

Analysts said any potential enthusiasm was dampened by dollar uncertainties. Although news about the prime rate remaining at 9 per cent helped the market, the Federal Reserve Board chairman said the Carter Administration should consider an Anti-Inflation Tax to curb inflation and set standards of wage and price increases.

The 5lbn increase in the basic Money Supply reported yesterday was generally anticipated and had little, or no, effect on the market.

Gaming stocks improved. Bally Manufacturing moved up $4⅜ to $54⅞. Harrah's $2⅛ to $31⅞ and Metro Goldwyn Mayer $1⅞ to $45⅞. Playboy rose $1⅞ to $27⅞—it expects 1979 to be a "good" year.

Golden Nugget lost $1⅞ to $32⅞ on its revised plans for a public offering.

Servomation jumped $5⅞ to $49 on Liggett Group's raised bid of $48.50 ($46) a share—higher than City Investing Company's GDV unit bid of $47 earlier in the day.

Mobile Homes were again firm and active. Winnebago gained $⅞ to $5⅞. Mobil Home Industries $1 to $3⅞. Fleetwood Enterprises $1⅛ to $18 and Skyline $⅞ to $16⅞.

THE AMERICAN SE Market Value Index put on 0.58 to 167.89 making a rise of 3.37 on the week.

Gambling stocks extended their gains with Bally Mfg. up $1⅞ to $54⅞. Ramada Inns $1 to $10⅞, Harrah's $1⅞ to $31⅞, Caesars World $4⅞ to $40, and Playboy $1⅞ to $27⅞.

CANADA—Mostly lower in active trading, with the Toronto Composite Index off 3.6 to 1,230.2.

The Oil and Gas Index dropped 45.5 to 1,578.2—the Federal Government plans to waive the next round of domestic oil and gas price increases.

Texaco Canada fell $2⅞ to $45, Home Oil A $1⅞ to $41, and Gulf Oil Canada $1⅞ to $28⅞.

Dome Petroleum rose $⅛ to $73⅞ on encouraging Beaufort Sea drilling results.

JOHANNESBURG—Gold shares steady at day's lower levels in hesitant trading.

AF Lease moved up 70 cents to R610 on strong London buying. Other Golds lost up to 50 cents.

Mining Financials followed Golds lower.

Most Platinums steady.

Asbestos shares little changed. Collieries generally untraded. Industrials narrowly mixed

BRUSSELS—Large majority of Belgian shares higher in lively trading.

UK and German stocks little changed. Dutch and U.S. firmer. French lower. Gold Mines mixed.

TOKYO. Slightly higher on "cheap" buying in some Blue Chips and Public Works. Volume 230m (210m) shares.

Major investment Trusts bought some Electricals, Steels and Cameras, paring initial falls.

Oils rose on "cheap" buying, while Machines and Housings also improved in anticipation of increased Government Public Works spending.

PARIS. Mostly higher in active trading, encouraged by recent positive economic indicators in France, and also strength of franc.

But Engineerings, Constructions and Chemicals eased.

Foreign shares generally eased, with Germans, Canadians, Oils and Golds most affected. U.S. shares mixed, Dutch and Coppers resistant.

GERMANY. Mixed trend.

Volkswagen eased, despite its higher first half profits, while Bayer firmed following lower first half profits.

Banks steady. Steels, Electricals and Chemicals mixed.

Bond Market quiet, with Public issues fluctuating narrowly. Bundesbank made regulating purchases worth DM 2.6m. Mark Foreign Loans steady.

AMSTERDAM. Mostly firm. *Nedlloyd rose almost Fls5* despite sharp fall in first half net profit, while Van Gelder lost almost Fls.2 despite a first half net profit. Pakhoed shed Fls.1 on a first half loss.

Indices

NEW YORK—DOW JONES

	Aug. 25	Aug. 24	Aug. 23	Aug. 22	Aug. 21	Aug. 18	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
Industrial	895.53	897.35	897.09	892.41	888.96	896.83	*906.12 (1/7/78)	742.12 (2/2/78)	1061.70 (11/1/73)	41.22 (6/7/32)
H'me B'ndg	98.06	98.61	98.97	99.02	98.61	98.68	0.86 (1/7/78)	96.73 (11/7/78)	—	—
Transport	252.09	255.41	251.68	249.76	248.05	251.07	255.41 (24/8/78)	191.51 (9/1/78)	779.88 (7/8/69)	15.23 (6/7/32)
Utilities	108.39	108.48	108.56	108.15	108.19	108.86	114.93 (3/1/78)	102.94 (22/2)	163.53 (20/4/73)	10.68 (28/4/42)
Trading vol. (000's)	36,190	38,500	39,710	29,620	27,510	34,050	—	—	—	—

* Base of Index changed from August 24

Ind. div. yield %	Aug. 18	Aug. 11	Aug. 4	(Year ago approx.)
	5.24	5.26	5.25	5.20

STANDARD AND POORS

	Aug. 25	Aug. 24	Aug. 23	Aug. 22	Aug. 21	Aug. 18	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
†Industrials	118.27	118.58	118.19	115.48	114.95	118.88	119.58 (24/8)	98.92 (9/1)	184.54 (11/1/73)	4.52 (30/6/32)
§Composite	104.80	106.06	104.91	104.31	103.88	104.78	105.06 (17/8)	88.90 (6/1)	123.85 (11/1/73)	4.40 (19/6/32)

	Aug. 3	Aug. 18	Aug. 4	Year ago (approx.)
Ind div. yield %	4.69	4.70	4.70	4.57
Ind. P/E Ratio	10.02	9.98	9.97	9.90
Long Gov. Bond yield	8.37	8.54	8.52	7.81

N.Y.S.E. ALL COMMON

	Aug. 25	Aug. 24	Aug. 23	Aug. 22	1978 High	1978 Low
	59.22	59.26	59.12	58.78	59.28 (24/8)	48.57 (6/1)

Rises and Falls	Aug. 25	Aug. 24	Aug. 23
Issues traded	1,920	1,894	1,892
Rises	746	876	1,028
Falls	774	614	479
Unchanged	400	404	385
New Highs	—	159	189
New Lows	—	4	5

	Aug. 25	Aug. 24	Aug. 23	Aug. 22	1978 High	1978 Low
MONTREAL Industrial	199.71	200.50	200.67	200.53	201.94 (19/8)	169.80 (16/2)
MONTREAL Combined	208.19	209.57	209.85	208.82	209.92 (18/8)	170.82 (20/1)
TORONTO Composite	1230.2	1235.8	1232.4	1231.4	1239.4 (11/8)	988.2 (20/1)
JOHANNESBURG Gold	245.4	248.5	248.5	250.2	272.6 (14/8)	186.0 (20/6)
JOHANNESBURG Industrial	295.6	294.1	294.5	294.1	294.5 (24/8)	194.9 (13/3)

	Aug 25	Previous	1978 High	1978 Low
Australia (a)	553.83	555.08	555.90 (18/8)	441.19 (1/3)
Belgium (b)	98.59	98.25	101.16 (6/8)	90.45 (26/4)
Denmark (c)	97.41	97.70	98.90 (14/8)	94.00 (5/2)
France (d)	74.5	74.1	76.5 (5/8)	47.5 (3/2)
Germany (e)	826.5	826.3	827.6 (23/8)	759.4 (17/3)
Holland (f)	91.3	90.3	91.3 (25/8)	78.0 (4/1)
Hong Kong (g)	661.41	666.40	681.12 (18/8)	565.04 (16/1)
Italy (h)	66.83	67.09	68.17 (21/8)	50.48 (18/1)
Japan (i)	420.43	419.66	426.81 (25/8)	364.04 (4/1)
Singapore (j)	402.87	401.67	402.87 (25/8)	[illegible] (6/1)

	Aug. 25	Previous	1978 High	1978 Low
Spain (k)	101.90	101.38	110.16 (9/6)	[illegible] (15/3)
Sweden (l)	400.92	403.75	408.02 (4/8)	322.74 (5/1)
Switzerl'd (m)	288.5	286.6	336.30 (22/2)	219.1 (20/4)

Indices and base dates (all base values 100 except NYSE All Common — 50 Standards and Poors — 10 and Toronto 300—1,000, the last named based on 1975): † Excluding bonds. ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/62. ** Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Dec., 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 30/12/77. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. z Unavailable.

FRIDAY'S ACTIVE STOCKS

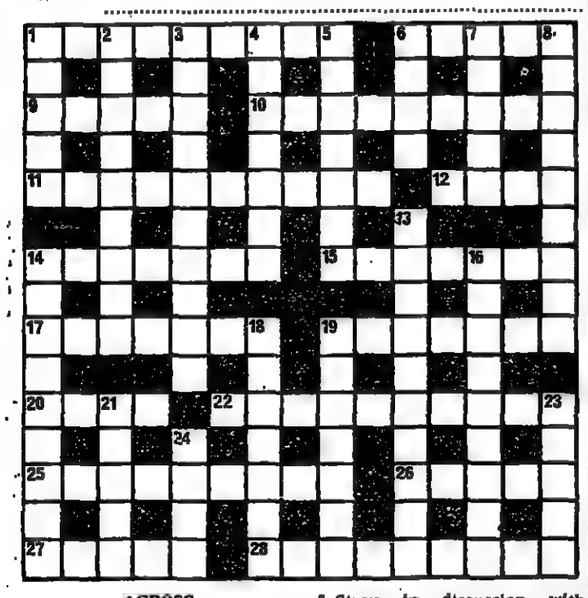
	Stocks traded	Closing price	Change on day
Ramada Inn	1,317,300	10⅞	−⅛
Pan Am. Air.	1,169,100	5½	−⅛
Flintkote	559,000	37⅞	−1⅞
American Motors	500,000	6½	−⅛
Winnebago	436,700	5⅞	+⅞
Bally Mfg.	413,000	54⅞	+4⅞
Fleetwood	353,600	18⅞	+1⅞
Kaufman & Broad	334,400	9⅞	+⅛
Ppld. Dlg.	304,200	19⅞	+⅛
Del Webb	338,300	24⅞	+⅞

F.T. CROSSWORD PUZZLE No. 3,755

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name .....

Address .....



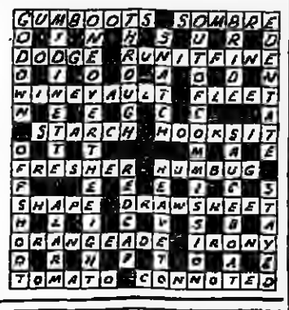
ACROSS

1 Account directors are hoarding (9)
6 Foundation for fish about one (5)
9 Headline makes father confess (5)
10 Gallery for player pulling out all the stops (5, 4)
11 Dismal affair of the brain (4, 6)
12 Ring students' union about responsibility (4)
14 Daft beginner is accustomed to being unemployed (7)
15 Point to church (7)
17 Join American state I cut off (7)
19 Stuff hair fastening (7)
20 Rear support (4)
22 Boats made with little skill (5, 5)
25 Club keeps going in foundry (9)
26 Learner is surrounded by lots of paper in the province (5)
27 Shame on railway for being hot-tempered (5)
28 A mini-gown? Quite the contrary (4, 5)

DOWN

1 Confuse Foreign Office going in to pray (5)
2 Appearance the Queen's willing to make for spectators (7, 2)
3 Head of group becomes a conductor (10)
4 Fuss over physical training newsman took up (7)
5 Stray in discussion with soldier turning up in costume (7)
6 Tendency to be dishonest (4)
7 Pass out of southern court quarter (5)
8 Talk like this as it were (2, 2, 5)
13 Insensitive Scots leader was concerned at being very frightened (4, 6)
14 Last minute instructions at the bar given defensively (4, 5)
16 Pass on to supporter taking a wicket (9)
18 Cart goes to West-end carrying assorted lumber (7)
19 Influence wickedness attracts (5, 2)
21 Credit given to single old woman (5)
23 Stops up thanks to the pharmaceutist (5)
24 Influence of direction on method (4)

Solution to Puzzle No. 3,754



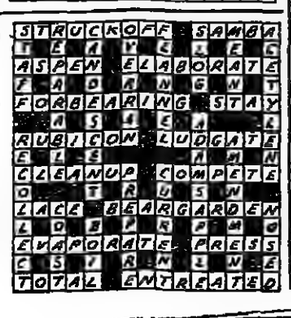
SOLUTION AND WINNERS OF PUZZLE No. 3,749

Following are winners of last Saturday's prize puzzle:

Mr. D. Beckwith, 9, Wheeler Avenue, Oxted, Surrey.

Miss A. Kennedy, 32, Redcliffe Square, London, SW10.

Mr. S. N. H. Logan, 9, Belvedere Park, Omagh, C. Tyrone, BT78 1HR.



RACING BY DOMINIC WIGAN

Jaazeiro should be winner for Piggott

BE MY GUEST pulled off a hard-fought victory for Vincent O'Brien and Lester Piggott in the Waterford Crystal Mile a year ago and it will not be surprising if *Jaazeiro wins for them in far* easier fashion today.

Piggott, hardly renowned for visible signs of pleasure, could not conceal his enthusiasm for the ex-French colt, bought on his recommendation, as he talked after last month's Sussex Stakes.

He could not have had more justification for satisfaction. Jaazeiro, snapped up by the Robert Sangster consortium and sent to Cashel when Piggott realised his potential in France last season, had just made hacks of such high-class performers as Radetzky and Formidable in that Group 1 event.

Allowed to cruise within striking distance of the Clive Brittain horse, Jaazeiro, a $24,000 yearling purchase by Sham out of Rule Formi, a half-sister to Prince John, settled affairs a furlong from home with devastating speed.

Formidable, narrowly beaten by Redetzky for second place in the Sussex, is returning to his high-class form of last autumn, but cannot be seriously fancied to trouble the Irish colt, even on *8 lb better terms.*

Nevertheless, he looks a better bet than the remaining four for forecast purposes.

Three St. Leger prospects, Dactylographer, Le Moss and M-Loishan, are due to clash in the 1¾-mile March Stakes.

The Secretariat bay, Dactylographer, who has been given plenty of time to develop by Peter Walwyn, would almost certainly prefer an easy surface here, and for this reason I pass him over in favour of that ever-improving Levmoss colt M-Loishan, a useful second string to Ryan Price's principal St. Leger hope, Whitstead.

Although unbeaten in three runs this season, the Henry Cecil-trained Le Moss could be found wanting for pace over this 1¾ miles on ground which is likely to be on the fast side of good.

There is no better two-year-old race today than Newmarket's Fitzroy House Stakes, even though Lyphard's Wish, for whom a six-figure bid was recently turned down, is a surprising absentee.

Those who remain include Warmington, Golden River, Nobloys and Spring to Life.

The two who interest me most are Warmington, who followed up a second-place run behind Troy on the July course by outclassing Tap on Wood in Ayr's Heronslea Stakes this month, and Nobloys, who had anything but a smooth passage at York last time out after defeating Troy at Salisbury.

The Barry Hills-trained Nobloys is undoubtedly a better colt than his final York position of fourth behind Kingsbere might suggest. I take a chance on him outpacing some stiff opposition.

That outstanding juvenile filly of last year, Cherry Hinton, is now retired. An X-ray disclosed a back injury and the Newmarket filly, of whom Harry Wragg said yesterday: "She must be feeling pain, so there is no point in asking her to race again," will now go straight to stud.

She retires with the Ascot mile record for two-year-olds under her belt, after that remarkable win in the Argos Star Fillies' Mile.

GOODWOOD
1.45—Dare Me
2.15—M-Loishan
2.45—Jaazeiro**
3.15—Melanesia
3.45—Bell-Tent
4.15—Pilley Green*

NEWMARKET
1.30—Tweedhill
2.00—Astral Suite
2.30—Bullfighter
3.00—Nobloys***

NEW YORK

Stock	Aug. 25	Aug. 24
Abbott Labs	56¼	57
Addressograph	28⅛	29½
Aetna Life & Cas	44	44⅛
Air Products	30¼	30¼
AkronAluminium	51⅛	51½
Alcoa	46¼	46⅝
Allegh. Ludlum	19	18¾
Allegheny Power	18⅞	18½
Allied Chemical	40⅝	40⅞
Allied Stores	27½	27½
Allis Chalmers	26⅞	26⅝
AMAX	43¼	41¼
Amerada Hess	29	28⅞
Amer. Airlines	17⅛	17⅛
Amer. Brands	50⅞	51⅛
Amer. Broadcast.	61½	62⅞
Amer. Can	42¾	42¾
Amer. Cyanamid	31½	31⅝
Amer. Dist. Tel.	35½	35¼
Amer. Elect. Pow	23⅝	23⅛
Amer. Express	38¼	38⅝
Amer. Home Prod	31⅛	31⅛
Amer. Medical	28⅞	28½
Amer. Motors	5⅛	6⅛
Amer. Nat. Gas	43½	44½
Amer. Standard	32⅞	32¼
Amer. Stores	36¼	36½
Amer. Tel. & Tel.	61½	62¼
Ametek	26½	46½
AMF	18½	18⅛
AMP	37⅛	37⅞
Ampex	17⅛	17
Anchor Hocking	30¼	31½
Anheuser Busch	26½	27
Armco Steel	51½	51½
A.S.A.	25⅞	25⅞
Asamera Oil	17	17⅛
Asarco	15	15⅛
Ashland Oil	39	38½
Atl. Richfield	53¼	53⅛
Auto Data Pro.	35½	34⅞
AVCO	13¼	13½
Avon	32¾	32
Avon Products	59⅛	59⅛
Bait. Gas Elect.	27⅞	27
Bank America	26¼	26⅛
Bankers Tr. N.Y.	37⅞	37½
Barber Oil	28	28
Baxter Travenol	48½	49¼
Beatrice Food	27⅞	27½
Becton Dickinson	39	38⅞
Bell & Howell	23¼	22½
Bendix	42½	42⅞
Benguet Cons 'B'	4⅞	4⅞
Bethlehem Steel	24	24
Black & Decker	20⅞	20⅝
Boeing	69¾	70½
Boise Cascade	32½	32
Borden	29⅝	29⅝
Borg Warner	32½	34
Braniff Int.	16⅝	16¼
Brascan 'A'	15	15
Bristol Myers	56	54⅞
B Pet. ADR'S	17⅞	17⅞
Brockway Glass	33¼	34⅛
Brunswick	16⅛	16⅞
Burlgtn Nthn	19⅝	19
Burroughs	84¼	84
Campbell Soup	37	37
Canadian Pacific	20	19⅞
Canal Randolph	11¼	11¼
Carnation	50⅞	51
Carrier & General	12	12¼
Carter Hawley	19⅝	19⅛
Caterpillar Tractor	60⅞	61
CBS	61⅞	63
Celanese Corp.	43⅞	45⅞
Central & S.W.	16¼	16¼
Certainteed	22⅞	21⅞
Cessna Aircraft	45⅛	45
Chase Manhattan	34	34¼
Chemical Bk. NY	41¼	40⅞
Chesebrgh Pond.	26⅛	26¼
Chesse System	30¼	30¼
Chicago Bridge	37¼	37¼
Chrysler	12	12
Cincinnati	43¼	43⅞
Cinc. Milacron	37½	37½
Citicorp	26¼	27¼
Cities Service	50	49⅞
City Investing	16⅞	16⅞
Cleveland Cliffs	61½	62
Coca Cola	46½	45¾
Colgate Palm.	21⅞	20⅞
Collins Aikman	12¼	13
Columbia Gas	27½	27⅞
Columbia Pict.	20¼	20¼
Comb. Int Coat Am	20⅞	20⅞
Combustion Eng.	41½	41⅞
Combustion Eq.	15	15
Cmn'w'th Edison	27¼	27½
Cmn'w'th Oil Rel.	2⅛	2½
Comm. Satellite	49	49
Computer Sciences	16⅞	16⅞
Conn Life Ins.	40½	40½
Conrac	22¼	22¼
Con. Edison N.Y.	23⅞	23½
Consol Foods	25⅞	25⅞
Consol Nat. Gas	38¼	38
Consumer Power	24	24
Continente Grp.	32⅛	32⅞
Continental Oil	28¾	28¾
Continental Tele	16⅛	16
Control Data	41⅞	41⅞
Cooper Indus.	32⅛	32¼
Corning Glass	61¾	62
CPC Int'rn'tional	51⅞	51⅞
Crane	34¼	34⅞
Crocker Nat.	29¾	29¾
Crown Zellerbach	36¾	36¾
Cummins Engine	42⅛	41⅞
Curtiss Wright	16⅞	17⅛
Dana	31⅛	31⅞
Dart Industries	47½	47¼
Deere	34¼	34⅞
Del Monte	37⅛	37⅛
Detroit	14⅞	14⅞
Dennison Inter.	21¼	22
Detroit Edison	16⅛	16⅞
Diamond Shamrk	27⅛	27⅞
Distillers	18⅞	19
Dome Mines	30⅛	30⅞
Dome Petroleum	48	48
Dover Corp.	39	38¾
Dow Chemical	27	26⅞
Dresser	42⅛	42½
Dupont	128¼	126½
Eagle Picher	22⅞	22¾
East Airlines	15⅞	15⅞
Eastman Kodak	66	65⅞
Eaton	40	39¾
E. G. & G.	32⅞	32
El Paso Nat. Gas	18⅛	18¼
Elco	34⅞	34⅞
Emerson Electric	37¼	37½
Emery Air Fr'ght	27⅞	27½
Esmark	41¼	42⅛
E.M.I.	2⅞	3
Engelhard	24⅞	24⅞
Evans Prod.	29½	29⅛
Exxon	49⅞	49¼
Fairchild Camera	34⅞	35⅛
Fed. Dept. Stores	37⅞	37½
Firestone Tire	12⅞	12⅞
Fst. Nat. Boston	31⅛	31⅛
Fleet Wm	23½	25¼
Flintkote	37½	38⅛
Florida Power	32¼	32½
Fluor	40⅛	40½
F.M.C.	26⅛	26½
Ford Motor	46⅞	46⅞
Foremost Mck.	22½	22¾
Foxboro	38¼	38½
Franklin Mint	9½	9⅛
Freeport Mineral	27⅞	27⅞
Fruehauf	33⅛	33⅛
Fuqua Inds.	13¼	13⅛
G.A.F.	15¼	15⅛
Gannett	46⅞	48
Gen. Amer. Inv.	11	11⅛
G.A.T.X.	32	31⅞
Gen. Cable	18⅛	17¾
Gen. Dynamics	87	86¼
Gen. Electric	56⅞	56¼
Gen. Foods	33⅞	34⅛
General Mills	31½	31⅞
General Motors	64¼	64¼
Gen. Pub. Util.	18¼	18½
Gen. Signal	31⅛	31½
Gen. Tel. Electr.	30½	30⅞
Gen. Tyre	23⅞	23¾
Genesco	6⅞	6¾
Georgia Pacific	32⅛	32
Getty Oil	41⅛	40¾
Gillette	31½	31⅞
Goodrich B. F.	21¼	21⅛
Goodyear Tire	17⅞	17⅛
Gould	34	34¼
Grace W. R.	47¾	47⅞
Grt. Atlan Pac Ten	7⅞	7⅛
Grt. North Iron	26½	26⅛
Greyhound	14¾	14⅞
Gulf & Western	16	16⅛
Gulf Oil	34⅞	34¼
Halliburton	73¾	73⅞
Hanna Mining	38¼	38½
Harnischfeger	20⅞	20⅛
Harris Corp.	70⅞	70
Heinz H. J.	43	43¼
Hercules	26⅞	27¼
Hewlett Packard	88	87½
Honeywell	32⅛	31⅞
Hormel	25¼	25¼
Household Int.	30⅞	30⅞
Houston Nat. Gas	26⅞	26⅞
Hunt Ch. Corp.	14¾	15⅛
Hunt Ch. Oil	12⅞	12⅞
Hutton (E.F.)	32⅛	32½
I.C. Industries	31¼	30¾
IMA	45¾	46½
Ingersoll Rand	60⅛	60⅞
Inland Steel	38⅛	38
Inspiration	14⅞	14⅞
IBM	297.25	297
Int. Flavours	18¾	26¼
Int. Harvester	44¼	43⅞
Int. Min & Chem	41⅛	41
Int. Multifoods	18⅞	19
Int. Paper	46⅛	47
IPC	57¼	57¼
Int. Rectifier	14½	14¼
Int. Tel. & Tel.	32¾	32⅞
Iowa Beef	38⅞	39
IU International	12⅞	12⅞
Jim Walter	33	33⅛
Johns Manville	33⅞	33¾
Johnson Johnson	86½	86⅞
Johnson Control	28⅞	28½
Joy Manufactur'g	35⅞	35½
K. Mart Corp.	27⅞	27⅞
Kaiser Alumin'm	33⅞	34⅞
Kaiser Industries	2	1⅞
Kaiser Steel	31	30½
Kay	12½	12⅛
Kennecott	23⅞	24
Kerr McGee	50¼	51
Kidde Walter	38¼	38⅛
Kimberly Clark	47¼	47½
Kroger	22⅞	22¼
Kraft	47¼	47⅞
Kruger Co.	35⅞	36¼
Lesaway Trans.	39¼	39
Levi Strauss	35¼	35½
Libby Ow. Ford	26⅞	26½
Liggett Group	38¼	38⅛
Lilly (Eli)	51¼	51½
Litton Indust.	24⅛	23⅞
Lockheed Aircr'ft	34⅞	34½
Lone Star Indus.	26½	26⅞
Long Island Ltg.	19½	19⅞
Louisiana Land	23⅞	23⅞
Lubrizol	47⅛	47¼
Lucky Stores	18⅛	17⅛
L'ke Yungst'wn	10⅞	10⅞
MacMillan	11¼	11⅞
Mary E. H.	42⅞	42⅞
Mfrs. Hanover	39⅛	39¼
Mapco	35	35½
Marathon Oil	47⅞	48½
Marine Midland	16⅞	15¾
Marshall Field	22⅞	23
May Dept. Stores	26⅛	25¾
MCA	59	58⅞
McDermott	25⅞	26⅛
McDonnell Doug.	37½	37½
McGraw Hill	25⅞	24⅞
Memorex	55	56¼
Merck	60½	60½
Merrill Lynch	24½	22⅞
Mesa Petroleum	34⅞	34½
MGM	45¾	44⅛
Minn Ming & Mfg	64¼	64
Mobil Corp.	63⅞	63⅞
Monsanto	56⅞	57
Morgan J. P.	50¾	50⅞
Motorola	50	50½
Murphy Oil	49¼	49⅞
Nabisco	26⅞	26½
Nalco Chemicals	30⅞	30½
National Can	30⅞	30¼
Nat. Distillers	21¾	[illegible]
Nat. Service Ind.	17½	17⅞
National Steel	33¼	33¼
Natomas	42¾	41½
NCR	66	65¾
Neptune Imp.	26⅞	26
New England El.	23¾	23½
New England Tel	34⅞	34⅞
Niagara Mohawk	15	15
Niagara Share	11¾	11¾
N. L. Industries	23¼	23⅞
Norfolk & Western	25½	26¼
North Nat. Gas	37⅞	37¼
Nthn. States Pwr	27	26⅞
Nthwest Airlines	33½	34
Nthwest Bancorp	25⅞	26¼
Norton Simon	19¾	19¾
Occidental Petrol	21⅛	21¼
Ogilvy Mather	36¼	36¼
Olin Edison	18½	18½
Olin	16¾	16⅞
Owens Corning	35¼	35¼
Owens Illinois	23⅞	23⅞
Pacific Gas	24	24⅛
Pacific Lighting	18⅞	18⅞
Pan Pwr. & Ltg.	21¾	21¾
Pan Am World Air	8½	9
Parker Brunsfile	29⅞	29¾
Peabody Intl.	27½	27½
Penn. Pw. & L.	22¾	22¼
Penny J. C.	39¼	39⅛
Pennzoil	28¾	29½
Peoples Drug	12¾	12½
Peoples Gas	34¾	35½
Pepsico	32⅞	32¾
Perkin Elmer	26⅞	26⅛
Pet	54¾	54¾
Pfizer	36¾	36¼
Phelps Dodge	25¼	25½
Philadelphia Ele.	18	17¾
Philip Morris	74⅛	74¾
Phillips Petro'm.	32½	32⅛
Pillsbury	46	46⅛
Pitney Bowes	28⅛	28¾
Pittston	24⅛	24⅞
Plessey Ltd ADR	19⅛	19⅛
Polaroid	36¾	36
Potomac Elec.	14⅞	14½
PPG Industries	30¼	30⅛
Procter Gamble	87½	87¾
Pub Serv Elect.	25⅞	24⅛
Pullman	44¼	44⅞
Purex	19	19
Quaker Oats	26⅞	26⅞
Rapid American	15⅞	15½
Raytheon	63	64
RCA	32¾	32⅞
Republic Steel	25⅛	25⅞
Reserve Int'l	115¼	108
Revlon	36⅞	35⅞
Reynolds Metals	33⅞	33¼
Reynolds R. J.	60⅞	60½
Rich'ardson Merrell	29⅛	28¼
Rockwell Inter.	34¾	34½
Rohm & Haas	35⅞	35⅞
Royal Dutch	62¾	62¾
RTE	14⅞	14⅞
Russ Long	12¼	12¼
Ryder System	18⅞	18¾
Safeway Stores	44⅞	44⅞
St. Joe Minerals	28¼	27⅞
St. Regis Paper	32¼	32¼
Sapa Fe Indus.	36½	36½
Saul Invest.	8⅞	7
Savin Bus.	7	7
Schlitz Brewing	13½	13¼
Schlumberger	89¾	90
SCM	22	21⅞
Scott Paper	17¼	17⅛
Scovil Mfg.	25⅞	25¼
Scudder Duo Vin	8¼	8½
Sea Containers	30	29½
Seagram	25	25¼
Sears Roebuck	13⅞	14⅞
SEDCO	41⅞	40½
Shell Oil	34⅛	34⅞
Shell Transport	46	45¾
Signal	38½	38⅛
Signode Corp.	38	38½
Simplicity Pat.	12⅞	12¾
Singer	20⅞	20¾
Smith Kline	98⅞	94⅞
Sperry Rand	4⅛	4
Sperry Corp.	41⅞	41⅞
Squibb	33⅛	33⅞
Standard Brands	29¼	28⅞
Std. Oil California	43⅞	43⅞
Std. Oil Indiana	50½	50¼
Std. Oil Ohio	37⅞	37¾
Stauff Chemicals	46	46⅛
Sterling Drug	18¼	17⅞
Studebaker	66¾	67½
Sun Co.	45⅞	44⅞
Sundstrand	55½	53¾
Syntex	34⅞	34⅛
Technicolor	14	14
Teledyne	43⅛	44¼
Teltron	8	8⅛
Tenneco	30⅞	30⅛
Texaco	24⅞	25
Texas Eastern	21¼	21
Texas Gulf	38¼	38½
Texas Inst'm.	88⅞	88⅛
Texas Oil & Gas	27⅞	27¾
Texas Utilities	31¼	31⅞
Times Mirror	50⅛	50⅛
Tenneco	33⅞	33

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Sun Hung Kai buys P & O building

By Ron Richardson

HONG KONG, August 25.

SUN HUNG KAI Securities, in which the leading French bank Cie Financiere de Paris et des Pays-Bas (Paribas) has a stake, has purchased a major central Hong Kong property from Hongkong Land Company for an undisclosed sum.

The property, the 18-storey P & O building, is 11 years old and contains 100,000 sq ft of office accommodation and 4,000 sq ft of shops. It is adjacent to the underground site of Chater Station, the Hongkong island terminus of the Mass Transit Railway now under construction.

The building was purchased by Hongkong Land in September, 1976, in anticipation of Hongkong land winning the right to redevelop the commercial space above the station. In the event, the contract for this development went to the rival Cheung Cong (Holdings) in partnership with the Mass Transit Railway Corporation

Mr. Fung King Hey, chairman of Sun Hung Kai Securities, said the property would initially be held as an investment but the possibility of redevelopment was under consideration.

In a separate announcement it was disclosed that Paribas has exercised its option to raise its holding in Sun Hung Kai Securities by about 6 per cent to 17 per cent by taking up 13.2m new HK$1 shares at HK$2.575 each.

Haw Par

SINGAPORE, August 25.

Haw Par Brothers International has purchased 2.54m cumulative redeemable 20p preference shares in Haw Par (London). These shares, bought through the London market, take Haw Par International's preference share holding to 12.88m.

Agencies

The First Viking Commodity Trusts

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North Korea to repay Y80bn to Japanese

BY MARY CAMPBELL

NORTH KOREA will pay back about Y80bn ($420m) owed to Japanese trading companies and banks for North Korean imports by the end of 1981, according to the Japan-North Korea Trade Association, Reuter reports from Tokyo.

Mr. Sadao Murakami, managing director of the association, told a Press conference that North Korea had retracted its early request for another three-year deferment beyond that expiring in 1981.

Mr. Murakami, who recently returned from Pyongyang, said North Korea also promised to belatedly pay by next month interest worth about Y1bn which should have been paid to Japan last December.

● Our financial staff adds: North Korea has been in default on its foreign debt for several years. The worldwide recession that followed the 1973 oil crisis slashed its foreign earnings from exports of iron ore, tungsten and other raw materials.

With a total foreign debt estimated at over $2bn, its largest creditor is the Soviet Union. There have been protracted negotiations with the Japanese on the possibility of the country repaying the debt.

Van Gelder back in the black

BY CHARLES BATCHELOR

AMSTERDAM, August 25.

THE troubled Dutch paper manufacturer Van Gelder Papier returned to profit in the first half of 1978, and expects to continue in the black in the current six months. It made a net loss of Fl 27.7m in the wake of 1977, and last made a profit—of Fl 39m—in 1974.

The company's cash needs mean that it will not pay a dividend this year, Mr. Keith Provo, executive chairman, told a press conference. Van Gelder's last dividend was Fl 5 paid in 1974. It expects further benefits from extraordinary items in the second half, but even without these it will make an operating profit.

Van Gelder, which is 50 per cent owned by the U.S. paper maker Crown Zellerbach, made an operating profit of Fl 19.9m in the first half compared with a loss of Fl 11m in the same period of 1977. At the pre-tax level, profit was Fl 10.8m ($5m) compared with a loss of Fl 18.4m. After a tax charge of Fl 4.9m compared with a credit of Fl 1.8m in 1977, the net result was a profit of Fl 5.9m ($2.7m) against a loss of Fl 14.8m. Sales fell by Fl 11m to Fl 413m ($190m). The net profit per Fl 50 share was Fl 4.44 against a loss of Fl 11.04.

The improvement came from better use of capacity, and lower costs due to the more efficient use of and a decline in the cost of raw materials. The reorganisation of the company, which is still going on, also reduced costs.

A decision by the Dutch Supreme Court allowed the company to draw down a Fl 4m provision made for water pollution costs.

Prospects for the second half are slightly uncertain. The paper industry will have difficulty in passing on increased pulp prices, while turnover may be affected by the weak state of the European economy.

In the paper division, increased efficiency meant that the company could take on orders in the first half which previously would not have covered costs. Van Gelder is cutting capacity and reorganising its loss-making factories.

The packaging division managed to cover costs, but the company is not optimistic of making a reasonable return on its investment in the near future.

Van Gelder plans to set up its trading division as a separate company next year. The special fibres division currently faces extra costs from starting up new plant, but it continues to make a considerable contribution to profit.

The company is continuing to reorganise, decentralising management, reducing the workforce and tightening up credit limits to customers. Van Gelder has approved Fl 52m of spending this year, after actually investing Fl 26m last time.

Further losses by Borregaard

BY FAY GJESTER

OSLO, August 25.

THE BORREGAARD industrial group of Norway made a loss of NKr 10.9m ($2m) in the first half of 1978, after ordinary depreciation of NKr58.2m, and a larger loss is foreseen for the second half of the year. First and second half losses in 1977 were NKr 1.5m and NKr 18.4m respectively.

The poor results mainly reflect depressed prices for foreign products, particularly fine paper and cellulose. In addition, Borregaard's involvement in the new Norwegian petrochemical complex at Rafnes, where it has a 50 per cent stake in a chlorine plant, cost it NKr 18m in the half year.

Prices of edible oils and fats developed favourably in the period, and chemical products were another bright spot. The foods sector also showed a profit, despite government price controls. Gross sales during the six months totalled NKr 1.55bn ($292m)—9 per cent up on the same period a year earlier. Investments during the half-year totalled NKr 104m, and liquidity improved.

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Astra projects increased cash flow

STOCKHOLM, August 25.

ASTRA, the Swedish pharmaceutical group, has received permission from the American food and drug administration to market an anti-blood pressure medicine in the U.S. Astra claims that this is a major breakthrough for the company and expects to receive in royalties between SKr 500m and SKr 600m ($114m to $133m) during the next 15 years.

The preparation is already on sale in 30 different countries and goes under the name of Seloken in Sweden. According to Astra there is only one similar preparation on the U.S. market which can treat the so-called "beta blockage."

Pre-tax earnings of the group in 1977 were up 13 per cent to SKr 116m compared with SKr 103m in 1976, on sales of SKr 1.7bn compared with SKr 1.4bn in 1976.

Boliden to consolidate its operations

By Our Own Correspondent

STOCKHOLM, August 25.

BOLIDEN, the Swedish metals and chemicals group, has incurred a pre-tax loss of SKr 11m ($2.5m) for the first half of this year on turnover of SKr 1.4bn ($318m), compared with SKr 13m pre-tax profit on turnover of SKr 1.2bn in the first half of 1977. Costs in six months amounted to SKr 1.2bn ($270m) compared with SKr 1.1bn in the first half of 1977.

In view of the development on the metals market the result indicators for the Boliden group will have to be revised downwards for the whole of 1978, writes John Dahlfors, the managing director, in the interim report. Operations before appropriations and taxes are expected to return a loss of SKr 64m ($14m)—against a loss of SKr 78m for the whole of 1977.

The heavy investment programme and the weak earnings trend in recent years, Mr. Dahlfors writes, have made it necessary to resort to extensive borrowing. It is now intended to consolidate operations and to keep capital outlays at a low level so as to limit borrowing requirements.

NORTH AMERICAN NEWS

FTC tries to block Bayer pigment deal

BY JOHN WYLES

NEW YORK, August 25.

THE FEDERAL Trade Commission is seeking to block Allegheny Ludlum's sale of its organic pigments business to Rhinechem Corporation, a subsidiary of West Germany's Bayer AG.

The sale was part of Allegheny's strategy to reduce its long term debt which was more than doubled early in the year when it acquired Chemetron Corporation. The pigments business was a Chemetron division and its availability fitted in neatly with Bayer's ambitious expansion plans in the U.S.

However, the FTC said today it was opposing the deal on the grounds that it would decrease competition in the market. According to the FTC, Harmon Colors Corporation, a Rhinechem subsidiary, is the nation's eighth largest pigment manufacturer with a market share last year of about 6 per cent. Chemetron was the third largest with a market share of 11 per cent, claimed the FTC.

The commission was expected to file a request for a preliminary injunction against completion of the merger in a Chicago district court today. The Government agency also intends to file an administrative complaint seeking cancellation of the merger and divestiture by Rhinechem of Chemetron's former pigment division.

Organic pigments are used for a variety of colouring purposes. No details of the transaction between Allgeheny and Rhinechem have ever been announced beyond the fact that payment would be made in cash and that "certain liabilities" would be assumed by Rhinechem.

Investment banks complete deals

BY MARY CAMPBELL

FIRST BOSTON INC., the New York investment bank, and S.A. Financiere du Credit Suisse et de White Weld have formally completed arrangements to take shareholdings in each other.

The former has taken a 31 per cent stake in the latter, while a 25 per cent stake has been taken in First Boston by Financiere, the holding company for the London based international investment bank Credit Suisse White Weld (CSWW) and other institutions around the world.

Each paid $30m for the stake in the strip, a spokesman for First Boston said.

The name CSWW will be changed to Crédit Suisse First Boston (CSFB) and the name First Boston will replace White Weld in many of the other subsidiaries of the Swiss holding company. The White Weld name will, however, be retained in some cases.

About 20 executives of First Boston (Europe) will move into the CSFB offices in the P & O building in London next Tuesday. The rest will go back to the New York office of First Boston. It is understood that First Boston will retain its U.S. brokerage business in London separately from the new CSFB.

Each company will be represented by three directors on the other's board. First Boston Corporation of the U.S. will cover the U.S., Canada, Latin America, the Caribbean Australia and New Zealand, and CSFB will cover Europe, the Middle East, Africa and Asia. The trading of U.S. equity securities will continue to be carried out by First Boston Corporation on a worldwide basis.

AMC dividend in doubt

BLOOMFIELD HILLS, August 25.

RESTORATION of American Motors Corporation's dividend, which was last paid in September 1974, is not necessarily imminent, Mr. Roy D. Chapin, the chairman, told the 1979 model Press review.

Mr. Chapin said the outlook for continued profitability is favourable and after capital needs are met, the AMC board will decide whether to increase equity or restore the payout.

AMC officials said continued profits will be assured by marketing, production and design co-operation agreement with the French automaker, Regie National des Usines Renault.

AMC president Mr. Gerald C. Meyers said talks are progressing well with Renault but conceded they have not been concluded as quickly as originally thought. Reuter

GDV tops Liggett bid for Servomation

By David Lascelles

NEW YORK, August 25.

THE PROSPECT of a vigorous takeover battle for Servomation, the vending and catering services company for which tobacco group Liggett yesterday offered some $130m, emerged today as a previously rejected bidder increased its offer.

GDV, a subsidiary of City Investing, which made an original offer of $42 per Servomation share three weeks ago, raised this to $47 a share with a 25 cent solicitation fee as an added inducement to brokers. The offer is for any and all shares and expires on September 14.

The move came after Liggett stepped in with a $46 offer for up to 45 per cent of Servomation's shares. The Liggett offer also included an exchange of the remaining Servomation shares for Liggett stock.

Although there was some logic behind this move, since Servomation sells the type of products that Liggett produces, the intervention had the appearance of rescuing Servomation from GDV, whose approach Servomation had tried unsuccessfully to block in the courts.

But GDV's increased bid today was widely expected to produce a new response from Liggett. In Wall Street, Servomation shares had an indicated price of $47-49, evidently in the hope that Liggett will raise the bidding, though Liggett had no immediate response to this morning's developments.

GDV's main business is real estate. The company is 59 per cent owned by City Investing, a Californian concern with diversified interests, including housing, manufacturing, property, oil, insurance and financial services.

Genstar buys Flintkote stake

By Robert Gibbens

MONTREAL, August 25.

GENSTAR LIMITED, the Montreal- and Calgary-based realty development, building materials, chemicals and shipping services group, indirectly controlled by Societe Generale of Belgium, has built up an 11 per cent holding in the outstanding shares of FlintKote, the major U.S. producer of building materials.

I.G. Index Limited 01-351 3466. Dec. Sugar 95.35-96.95
29 Lamont Road, London SW10 0HS.
1. Tax-free trading on commodity futures.
2. The commodity futures market for the smaller investor.

COMMODITIES/Review of the week

Further rise in coffee market

BY OUR COMMODITIES STAFF

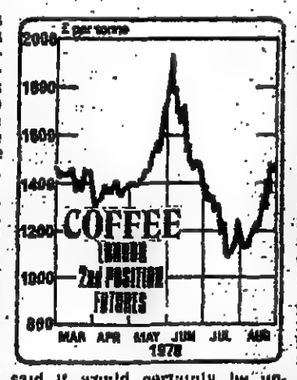
COFFEE FUTURES prices climbed to their highest levels for two months this week as concern over the Brazilian crop continued to make for a nervous market. It is now nearly two weeks since frost struck the Brazilian coffee states, but there is still no agreement on the extent of the damage to next year's crop.

Brazilian Coffee Institute sources estimate the prospective 1979/80 crop has been cut by 8.2m bags (60 kilos each) but the U.S. Department of Agriculture thinks only 1.5m bags has been lost. The IBC puts the next crop at 16.1m bags and the USDA at over 20m bags.

In view of this wide disparity of opinion, market response has been cautious. Prices fell on the London market early in the week but by Wednesday's close November coffee had climbed to £1,478 a tonne. After falling £20 on Thursday the price recovered yesterday to end the week £65 up on balance at £1,476.5 a tonne.

Latin American producers meeting in Bogota this week have agreed to press for a price support policy aimed at keeping the world coffee price between $1.30 and $2.20 a lb at next month's International Coffee Council meeting in London. The current coffee price is about 150 cents a lb. The move was proposed by Mr. Camilo Calazans, president of the IBC, and was strongly supported by the Colombian representative.

London traders commented, however, that the proposal seemed mainly political and had little chance of winning the acceptance of the consumer members of the Council. They fance of those holding coffee said it would certainly be unacceptable to the U.S. without whose approval any new International Coffee Agreement would be unworkable.



The London cocoa futures market had another very quiet week with the November position ending £9.75 lower at £1,792.5 a tonne. Sugar prices remained steady with the London daily price gaining £1 to £93 a tonne.

Copper prices advanced steadily on the London Metal Exchange this week. Cash wirebars closed last night £14.75 up at £748.25 a tonne, despite easing marginally yesterday.

The continuation of the Peruvian miners' strike, now in its third week, was a firming influence. But a feature of the market was a narrowing of the gap (contango) between the cash and the three-months quotation. This signified a general reluctance to sell at a time when there is a steady outflow of copper from the Metal Exchange mainly to buyers in the Far East.

Warehouse stocks are expected to fall again this week, although not by as much as originally forecast, and this has given a strong underlying tone in the market.

There are also expectations that a 50 per cent wage claim by Chilean miners might lead to a disruption of production there, even though strikes are banned by the Government.

The Peruvian strike, and fall in warehouse stocks, also boosted the lead market, where prices have continued to advance steadily.

Further encouragement has been given by new rises in U.S. producer prices for both lead and zinc. However, zinc values in London have failed to respond and are now lagging well behind lead, owing to lack of buying interest.

The fall in the price of gold kept the silver market subdued, but Impala Platinum yesterday announced a rise in its producer price of $10 to $250 an ounce. However the increase was considered modest since it is still well below the free market price.

The Metal Exchange confirmed this week that it is to launch an aluminium futures contract on October 2. The announcement was greeted with strong protests from aluminium producers, who claim that the new market could have a destabilising influence on the existing producer price system, under which the bulk of aluminium is sold.

NEEKLY PRICE CHANGES

	Latest price per tonne unless stated	Ch'ge on week	Year ago	1978 High	1978 Low
Metals					
Aluminium	£880		£880	£890	£840
Aluminium Alloy	$1,365-85	+10.0	$1,035-45	$1,075	$900
Antimony (99.6%)	£1,850	—	£2,160	£1,825	£1,525
Copper Market	£2,450-500	—	£2,700-750	£2,675	£2,145
Copper					
Wire Bars	£748.25	+14.75	£658.5	£778.5	£612
Cash Sel. Cath.	£748.75	+13.5	£658.75	£780.25	£624.75
3 mth Cathodes	£749.5	+8.5	£663	£784.5	£630.5
3 month Dec	£750.0	+10.5	£665.75	£785.5	£634.25
Lead Cash	£348.75	+12.0	£185.125	£348.875	£186.125
3 month	£347.25	+5.5	£184.5	£348.75	£186.25
Zinc Cash	£341.25	+4.75	£518.75	£349.25	£201.25
3 month	£...	—	—	£346	£202
Zinc Market (f.o.b.)	$1,79-92	+0.02	$1,50-1.1	$2.0	$1.175
Aluminium per cent	113.5	—	53.7-55.5	113.0	53.5
Zinc Market per cent	137	−1.25	120.6	140.1	126.4
Precious & Other					
Gold (Fine)	$186.30	—	$130.20	$192.5	$164.5
Gold per fine ounce	£80.8p	−1.0	£82.35p	£88.75p	£50p
Silver per fine ounce	561.1p	−2.35	196.0p	306.8p	265.9p
Platinum	$249.97	−67.0	$98.26	$99.60	$93.60
Palladium	$88.625	−4.0	$88.062.5	$88.875	$85.117.5
Tungsten Ind	$14.28	—	—	—	—
Cobalt (f.o.b.)	$13.43	+3.0	$12.49	$12.5	$12.5
Tin (cash)	£5318.75	−3.75	£3301.75	£5399.5	£3255.25
Lead (cash)	£426.25	−0.5	£348.75	£369.5	£237.75
Rubber (kilo)	90p	—	87.00	96p	82.50
Grains					
Barley (EEC)	—	—	—	—	—
Home Feed	£80.2	−0.2	£71.2	£86.75	£70.25
Maize	—	—	—	—	—
Feed Wheat (U.S. Dark Northern Spring No. 2)	£103.25	+0.75	£106.75	£99.5	

	Latest price per tonne unless stated	Ch'ge on week	Year ago	1978 High	1978 Low
Wheat					
No. 1 Hard Spring Am. Hard	£91	+0.5	£75.50	£95.5	£83.5
Winter	—	—	—	£91.5	£91
Long Milling (new crop)	£96.5	—	£82	£96	£91.25
Spices					
Cloves	£3,000	—	£2,000	£2,000	£3,800
Pepper, White	$2,850	−75.0	$2,775	$4,350	$2,575
Black	$1,675	−75.0	$2,125	$2,450	$1,550
Oils					
Coconut (Philip/Tes)	$775	+50.0	$450	$775	$552.5
Groundnut CIF	$863	+5.0	£581	£865	£565
Linseed, Crude	£331	+2.0	£322	£355	£326
Palm Malayan	$560	+14.0	$481	$560	$483
Seeds					
Copra Philippines	$490	−2.0	$330	$495	$312.5
Soyabeans (U.S.)	$256.5	+1.5	$325	$315	$254
Other Commodities					
Cocoa Futures	£1,833	—	£2,449	£2,155	£1,311
Fr'ts 2nd pos.	£1,792.5	−9.75	£2,326.5	£2,032	£1,326.5
Coffee Futures Nov.	£1,476.5	+65.5	£2,489	£1,820.5	£1,002
Cotton Index	73.5c	−0.8	62.2c	78.1c	61.25c
Raw Cotton	286	+4.0	£780	£850	49.5p
Jute UJAB Grade	£623	−8.0	£417	£440	£451
Rubber (kilo)	87.25p	—	84p	96.75p	46.5p
Sago Pearl	£178	—	£200	£180	£177
Soya Bean No. 2	£520	—	£305	£600	£520
Sugar (Raw)	£93	+2.0	£138	£114	£91
Tapioca No. 1	£168	—	£180	£180	£172
Tea (quality) kilo	130p	+2.0	180p	160p	127p
(plain) kilo	98p	+5.0	100p	89p	82p
Wooltops 64s Warp	£12.5 kilo	—	£20p kilo	20.5kilo	£17.5kilo

‡Unquoted. * Nominal. ‖ Madagascar.

MARKET REPORTS

BASE METALS

COPPER—Easier in morning only trading on the London Metal Exchange. After opening firmer at £[illegible], reflecting the overnight trend in New York, forward metal fell away to £[illegible] on the premarket following a downward revision of earlier forecasts of the expected fall in warehouse stocks over the week. This had the effect of widening the contango to around £15. The price then rallied to £[illegible] in the river but fell afresh to close at £[illegible] on the kerb, reflecting hedge selling and selling of nearby dates. Turnover 17,425 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	748.5	−4.3	—	−.75
3 months	763.5-4	−3.5	—	−1
Settlement	748.5	−4.5	—	—
Cathodes				
Cash	758-9	−5.5	—	−4
3 months	765-6	−4.25	—	−2
Settlement	759	−5.5	—	—
U.S. Smt.	—	—	68-66	—

Amalgamated Metal Trading reported that in morning only trading cash wirebars traded at £750, 48.5, 9, three months £763, 5.5, 6, 3.5, 5, 4, 4.5, 4. Cathodes, three months £759. Kerb. Wirebars, three months £765.5, 66.

TIN—Marginally firmer. After opening at £5,650 forward metal fell to £5,650 during the morning on the Penang market. However, forecasts of a decline in warehouse stocks pushed the price back up to £5,670 in the ring, and this trend continued on the kerb as covering against U.S. physical demand coupled with pre-weekend book squaring left the forward standard metal at £5,690. Turnover 945 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
High Grade				
Cash	5695-700	−52.5	—	−7.5
3 months	5720-30	−35	—	−3.5
Settlement	5700	−50	—	—
Standard				
Cash	5695-700	−52.5	—	−7.5
3 months	5690-5	−35	—	−17.5
Settlement	5700	−50	—	—
Straits E.	£5720	−25	—	—
New York				

Morning: Standard, cash £5,650, 55, 55, 50, 55, three months £5,670, 75, 65, 55, 45, 50, 55. High Grade, cash £5,650. Kerb: Standard, three months £5,655, 50, 55, 55, 50.

LEAD—Barely changed and sustained by continuing good demand for physical metal, which was only fairly offset by profit-taking and bear liquidation. Forward metal traded within narrow limits prior to closing at £341.5 on the kerb. Turnover 1,900 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	337.5	−1	—	−0.5
3 months	341-.5	−1	—	—
Settlement	337.5	−1	—	—
U.S. Spot	—	—	331.43	—

Morning: Cash £337, three months £341, 40.5, 41, 41.5. Kerb. Three months £341.

ZINC—Lower despite the weakness of other base metals. Forward metal traded around £[illegible] on the premarket but then came under pressure following profit-taking which induced stop-loss selling and depressed the market to a close of £[illegible]. A further fall in warehouse stocks is expected. Turnover 1,175 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	318.5-19	−2	—	−3.75
3 months	326.5	−2.5	—	−5.37
Settlement	319	−2	—	—
Primary West	—	—	29.31	—

* Cents per pound. ‡$ per metric ton.

Morning: Three months £[illegible], 29, 29.5, 28, 28.5, 28, 28. Kerb. Three months £[illegible].

COTTON

LIVERPOOL COTTON—Spot and shipment sales amounted to 120 tonnes bringing the total for the week so far to 320 tonnes. Another 1,000 for the American week ending F. W. Tattersall. Scattered operations took place in various American type growths. African and Latin American supplies were in better request.

SILVER

Silver was fixed 2.2p an ounce lower for spot delivery in the London bullion market yesterday, at 250.6p. U.S. cent equivalents of the fixing levels were: spot 488.7c, down 5.4c; three-month 498.9c, down 4.9c; six-month 510.2c, down 5.2c; and 12-month 532c, down 5.7c. The metal opened at 251.5-252.5p (488-489c) and closed at 251.1-252.1p (488-493c).

SILVER per troy oz.	Bullion fixing —	+ or —	L.M.E. close —	+ or —
Spot	250.6p	−2.2	251.3p	−0.85
3 months	257.15p	−2.2	257.6p	−1.5
6 months	264.55p	−2.2	—	—
12 months	510.1p	−2.6	—	—

LME—Turnover 85 (113) lots of 10,000 ozs. Morning: Cash 251.4; three months 257.1, 6.7, 7.2, 7.7, 7.6, 7.3. Kerb: Three months 257.2, 7.4, 7.3.

COCOA

Prices remained in a narrow range throughout a quiet day, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
Nov./Jan.	1792.5-95.0	−8.0	1800.0-1782
Dec./Mar.	1792.0-95.0	+1.25	1786.5-95.5
March/May	1778.5-79.5	+5.5	1765.0-72.0
May/July	1768.5-69.5	+8.0	1770.0-50.0
July/Sept.	1745.0-47.5	+6.5	1747.5-40.0
Sept./Dec.	1723.5-40.0	+9.0	1730.0-15.0
Dec./Mar.	1707.5-12.5	+12.0	1705.0

Sales: 2,098 (1,705) lots of 10 tonnes.

International Cocoa Organisation (U.S. cents per pound)—Daily price Aug. 24: 139.89 (140.38). Indicator prices Aug. 25: 1-day average 132.31 (131.38); 15-day average 131.29 (131.14).

COFFEE

Robusta futures were quietly steady throughout a session dominated by pre-weekend book squaring. Drexel Burnham Lambert reports. In the afternoon the market firmed on good Commission House buying before late profit-taking trimmed values somewhat. At the close further Commission House buying took values back to the highs £30 up on balance.

COFFEE	Yesterday's Close — £ per tonne	+ or —	Business Done
September	1062-64	−18.5	1565-1585
November	1476-77	−20	1484-1445
January	1395-40	+16	1400-1371
March	1340-47	+19	1345-1317
May	13 9 10	+17	1310-1288
July	1277-85	+21.5	1275-1265
September	1270-75	+38	1270-1260

Sales: 2,385 (2,887) lots of 5 tonnes.

ICO Indicator prices for Aug. 24 (U.S. cents per pound): Colombian mild Arabicas 183.00 (same); unwashed Arabicas 171.00 (138.50); other mild Arabicas 165.00 (148.17); Robustas ICA 1976 138.55 (same); Robustas ICA 1968 [illegible] (same). Daily average 142.33 (142.17).

ARABICAS—In order buyer, seller. All unloaded. Aug. 173.00-80.00, Oct. 173.00-77.00, Dec. 159.00-60.00, Feb. 155.00-62.00, April unquoted, June unquoted, Aug. unquoted. Sales: Nil.

GRAINS

LONDON FUTURES (GAFTA)—The market opened unchanged on wheat and 2s lower on barley in a fairly featureless day. Values eased to close 35p lower, Greenjys reporting little wheat, 400 barley. ADM reports.

	WHEAT Yesterday's Close	+ or —	BARLEY Yesterday's Close	+ or —
M'th. close	£	£	£	£
Sept.	82.50	−0.35	77.05	−0.30
Nov.	84.25	−0.40	80.25	−0.40
Jan.	87.80	−0.45	85.10	−0.50
Mar.	90.40	−0.50	86.50	−0.55
May	92.05	−0.45	87.90	−0.55

Business done—Wheat: Sept. 82.60-82.30, Nov. 84.40-84.05, Jan. 88.25-87.80, March 90.70-90.45, May 92.25-92.00. Sales: 170. Barley: Sept. 77.60-77.05, Nov. 80.60-80.25, Jan. 83.80-83.10, March 85.70-85.55, Nov. 86.30-85.85. Sales: 116.

IMPORTED—Wheat (CIF): No. 1, 13½ per cent, Sept. 101.00, Tilbury. U.S. Dark Northern Spring No. 2, 14 per cent, Sept. [illegible]. Oct. 100.50, Nov. 99.00 transshipment East Coast.

Maize—U.S. French Sept. 100.75 transshipment East Coast. S. African White Sept.-Oct. 158.50 ex-Glasgow. South African Yellow Sept.-Oct. 150.00 Glasgow.

HGCA—Location ex-farm spot prices: Feed Wheat: Norfolk 177.90. Feed Barley: Norfolk 173.40; Devon 171.40.

The UK monetary coefficient for the week beginning August 28 will remain unchanged.

EEC DAILY IMPORT LEVIES and premiums effective for Aug. 26 in order current levy plus Sept., Oct. and Nov. premiums, with previous in brackets, all in units of account per tonne: Common wheat—31.34, rest nil (82.82, rest nil); Durum wheat—134.46, rest nil (128.11, rest nil); Rye—84.51, rest nil (84.81, rest nil); Barley—82.94, rest nil (82.94, rest nil); Oats—71.74, rest nil (71.74, rest nil); Maize (other than hybrid for seeding)—73.79, rest nil (73.79, 0.32, 0.32, 0.63); Buckwheat—All nil (all nil); Millet—52.87, rest nil (52.87, rest nil); Grain sorghum—73.78, rest nil (73.78, rest nil). Flour levies: Wheat or mixed wheat and rye—124.84 (126.83); Rye—129.06 (129.06).

RUBBER

EASIER opening on the London physical market. Little interest throughout the day, closing dull. Lewis and Peat reported a Malaysian godown price of 245 (same) cents (buyer, Sept.).

No. 1 R.S.S.	Business done	Yesterday's Close	Previous Close
Sept.	87.50-88.50	87.80-88.20	—
Oct.	88.00-89.20	88.50-88.00	—
Oct.-Dec.	88.80-89.20	88.4-88.70	—
Jan.-Mar.	91.05-91.10	91.05-91.55	91.25-90.95
Apr.-Jne	92.90-92.95	92.40-92.45	92.55-92.30
Jly.-Sept.	94.80-94.85	94.00-95.10	95.30-94.60
Oct.-Dec.	96.20-96.30	96.70-96.75	96.45-96.50
Jan.-Mar.	97.90-98.00	98.45-98.50	98.05-97.90
Apr.-Jne	99.40-99.55	99.15-99.20	99.54-99.00

Sales: 158 (128) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 57.25p (same); Oct. 58.75p (58.25); Nov. 58.25p (58.75).

SOYABEAN MEAL

	Yesterday Close	+ or —	Business Done
	£ per tonne		
October	117.5-117.5	—	117.50-117.00
December	118.5-118.0	+0.80	119.00-118.50
February	120.5-120.5	+0.45	120.00
April	120.5-122.5	—	—
June	121.0-122.0	+1.0	—
August	121.0-125.0	+1.25	—
October	120.0-128.0	+1.15	—

Sales: 60 (139) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar) £93.00 (same) a tonne cif for allotment shipment. White sugar daily price was fixed at £102.50 (same).

Short-covering in front of the long holiday weekend produced a steady market and gains of £1.80 were registered before jobber covering at the close lowered prices some 60p from the highs, reports C. Czarnikow.

Sugar	Yesterday's Close	Previous Close	Business Done
Pres. Comm.	£ per tonne		
Oct.	92.95-92.50	92.40-92.45	94.80-92.40
Dec.	93.10-93.20	94.15-94.20	95.40-94.40
March	92.50-92.50	95.70-95.80	96.25-95.70
May	95.50-95.40	98.20-98.25	98.55-98.20
Aug.	98.75-98.80	101.25-101.05	102.00-101.60
Oct.	102.50-102.75	105.00-105.75	—
Dec.	106.00-106.25	108.00-108.50	—

Sales: 1,670 (1,904) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £264.85 (same) a tonne for home trade and £152.00 (£152.00) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean ports)—Prices for Aug. 24: Daily 7.09 (7.17); 15-day average 7.13 (7.11).

WOOL FUTURES

LONDON—Dull and featureless. Bache reports.

Australian Greasy Wool	Yesterday's Close	+ or —	Business Done
October	239.0-49.0	—	—
December	240.0-44.0	—	—
March	241.0-46.0	—	—
May	244.0-47.0	—	—
July	245.0-50.0	—	—
October	248.0-52.0	—	—
December	249.0-52.0	—	—

Sales: Nil (same) lots of 1,500 kilos.

SYDNEY GREASY—In order buyer, seller. (business, sales). Micron Contract: Oct. 347.0-347.5, all nil; Dec. 353.0-355.0, nil, nil; March 362.5-363.5, nil, nil; May 365.0-366.0, 365.5-365.5, 3; July 368.5-370.5, 370.5-370.5, 1; Oct. 372.0-373.0, 372.5-372.5, 3; Dec. 373.0-378.0, 376.0-375.5, 13. Total sales: 22.

NEW ZEALAND CROSSBREDS—Dec. 181.0-82.0, all untraded; March 182.0-83.0; May 183.0-85.0; July 184.0-88.0; Oct. 186.0-88.0; Dec. 188.0-88.0. Sales: Nil.

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on August 23: GB—Cattle 60.78p per kg.l.w. (−0.19). UK—Sheep 125.2p per kg.est.d.c.w. (−2.8). GB—Pigs 83.9p per kg.l.w. (+1.0). England and Wales: Cattle numbers down 23.8 per cent, average price 60.61p (−0.38). Sheep down 38.4 per cent, average 126.1p (−2.8). Pigs down 37.7 per cent, average 83.9p (+1.0). Scotland: Cattle down 19.9 per cent, average 70.33p (−0.13). Sheep up 33.2 per cent, average 122.1p (−1.5).

COVENT GARDEN (Prices in sterling per package except where otherwise stated): Imported Produce: Oranges—S. African: Valencia Late 4.20-5.20; Brazilian: Valencia Late 3.70-4.00; California: Valencia Late 72 103 4.00-5.50. Lemons—Italian: 100-120s new crop 3.00-5.20; Spania: Trays 1.50-2.40, large boxes 4.50-5.30; S African: 3.00-7.00. Grapefruit—S. African: 27/32 3.20-4.30; Jaffa: 40s 4.00; Argentine: Ruby Red 36/48 3.50-4.30. Marsh Seedless 36/72 2.50-3.80; Californian: Marsh Seedless 64 3.60, 88 3.80; Jamaican: 27 64 2.70-4.00. Tangerines—Brazilian: Per box 2.30. Apples—French: New crop Golden Delicious 25-lb 7.20-8.10; Spanish: New cr

Indian seamen: compromise move

THE FATE of 16 Indian seamen, jailed over two weeks ago after a shipboard pay row, was still undecided yesterday after a meeting between the Greek shipping company which employed them and an immigrants rights organisation.

There were, however, moves towards a compromise.

The Indian High Commission, where the two sides met, said: "It looks as if there will be a two-part settlement.

"The first part will enable them to go home, possibly on Wednesday, and the second will be negotiated later if the seamen are prepared to leave right of attorney with Vishnu Sharma of the Indian Workers Association."

The Indians were first taken from their ship, the Calypso, on August 5 when it berthed at Tilbury, by immigration officers and police.

Mr. John Plummer of the Joint Council for the Welfare of Immigrants said: "It seems that the captain locked them in the smoking room and asked for their removal following a protest about low pay.

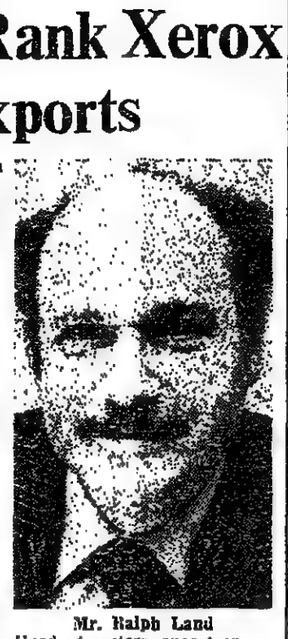
"They were handcuffed and told that they would be taken to Heathrow Airport where an agent for the shipping company, the Ulysses Line, would pay them the money owed to them for the voyage. The agent never showed up."

Since then the men have been detained at Pentonville Prison. The Home Office has refused to grant them a temporary admission permit on the grounds that they might not report back but says that they can remain there for another week before being deported in the hope that a solution can be found.

APPOINTMENTS

Head of Rank Xerox eastern exports

Mr. Ralph R. Land has been appointed geenral manager, marketing operations, to head the eastern export operations of RANK XEROX. He takes over a specialist group responsible within the organisation for marketing and service of Rank Xerox copiers and duplicating systems throughout the USSR, Yugoslavia and other countries in the Comecon Group and China. Mr. Land joined Rank Xerox in October 1976 as field operations manager, eastern export operations.



Mr. Ralph Land
Head of eastern export operations at Rank Xerox.

★

Mr. Tony Longman, Mr. Leslie Bolt and Mr. David Rees are to join the Board of PHILLIP PATENTS (HOLDINGS) from September 1.

★

Mr. David A. Payne has been appointed managing director of MARSHALL MORGAN AND SCOTT from October 1. Mr. Noel W. S. Halsey, at present marketing director, becomes deputy managing director. Mr. Peter J. Lardi, who has been managing director since 1972, leaves at the end of September to take up another appointment. The company is a member of the Pentos Group.

★

Mr. Lindsay Bonner, previously manufacturing director of electronics and instruments division of BELL AND HOWELL, is leaving the UK to take up an appointment as divisional manager of the company's CEC division production in Pasadena, California.

★

Mr. John M. Attenborough, has become managing director of the Rolls-Royce division of MANN EGERTON AND CO., in succession to Mr. Eric Roltham, who has retired. Mr. Attenborough joins Mann Egerton from the Rob Walker Motor Group where he was managing director until that group was purchased by Caffyns in September 1977. Mann Egerton is a member of the Inchcape Group.

Mr. John Attenborough
Mann Egerton and Co.

★

ITEL INTERNATIONAL has made the following appointments at its London headquarters. Mr. James Williams as vice-president of planning and control with responsibility for the financial operations. He succeeds Mr. Ronald H. Coelyn, who returns to the U.S. to become vice-president, finance, of the Itel Data Services Group. Mr. Hugh Parry has joined Itel International as director of country finance and administration.

★

Mr. John Samuels, at present acting head of the Central Office of Information Research Unit, is to re-join the BRITISH MARKET RESEARCH BUREAU as a director.

★

Mr. Raymond C. Miquel has resigned as a non-executive director of DAWSON INTERNATIONAL because of pressure of his other business commitments. Mr. Miquel is chairman and chief executive of Arthur Bell and Sons.

★

Mr. A. J. Coombe, marketing director, has been appointed deputy managing director of STURTEVANT ENGINEERING COMPANY.

★

Mr. Alan J. R. Thompson, a staff manager, has been appointed an assistant general manager of the BANK OF SCOTLAND. Mr. Maurice N. McTaggart, assistant general manager, computer services division, has been placed in overall charge of the bank's computer activities in succession to the late Mr. R. D. Craig, divisional general manager.

★

Mr. Peter Sweet, managing director of HENRY SIMON, Stockport, Cheshire (a Simon Engineering company), will be seconded to the Department of Industry for two years. His temporary attachment commences on September 1, when he takes up duties as north-west regional industrial adviser at the DoI offices in Manchester. Mr. Roy Stott, at present a director, becomes director and general manager of Henry Simon.

★

SIR FREDERICK SNOW AND PARTNERS has appointed partners in associated practices in Norwich, Newcastle and Manchester—Mr. H. Neill Carey (East Anglia); Mr. Albert Tootill (North-East); and Mr. Patrick Voce (North-West).

★

Mr. Peter C. Moseley, who joined C. SHIPPAM, of Chichester, as marketing director designate earlier this year, becomes marketing director on September 1. He takes over from Mr. Charles F. Turner, who will remain as marketing adviser, until his retirement at the end of 1978.

★

COLOROLL, manufacturer of wallcoverings and packing materials, anounces the appointment of three new directors. They are: sales director, Mr. William Doble; art director, Mr. John Wilman; and purchasing director, Mr. Keith Pickard.

EUROPEAN OPTIONS EXCHANGE

Series	Oct. Vol.	Oct. Last	Vol.	Jan. Last	Vol.	Apr. Last	Stock
ABN	F360	—	—	—	—	5	27 F374.50
ABN	F370	1	13	—	—	—	—
AKZ	F27.50	—	—	2	7.20	—	F34
AKZ	F30	38	4.50	32	5.80	9	7
AKZ	F32.50	181	2.80	174	4	48	5.50
ARB	F75	—	—	3	8.20	—	F81.10
ARB	F80	—	—	—	—	5	5.40
EK	$50	—	—	1	16⅛	—	$65⅝
EK	$60	—	—	2	8⅛	—	—
EK	$70	3	2⅛	—	—	3	5⅛
FNC	$25	—	—	—	—	1	4½
GM	$50	1	14¼	—	—	—	$64⅛
GM	$70	5	⅛	—	—	—	—
HO	F32.50	1	8	—	—	—	F40.20
HO	F40	1	2.20	35	4.50	14	5.80
IBM	$240	—	—	1	63⅛	—	$298
IBM	$260	—	—	1	46¼	—	—
IBM	$280	1	24	—	—	1	33⅝
IBM	$300	6	11¼	—	—	2	21¼
KLM	F135.50	—	—	2	38	—	F156.50
KLM	F142.90	6	19	5	23	—	—
KLM	F150	1	15	—	—	—	—
KLM	F152.40	2	12.50	11	17.50	—	—
KLM	F160	9	7.50	10	11.50	—	—
KLM	F161.90	87	7.40	6	12	—	—
KLM	F170	—	—	—	—	6	16.50
KLM	F171.40	42	4.10	4	8.50	—	—
KLM	F181	15	1.80	54	5	—	—
KLM	F190.50	—	—	51	3.20	—	—
NN	F108.90	—	—	5	6.60	—	—
NN	F110	—	—	—	—	9	9
NN	F118.90	—	—	2	2	—	—
PHI	F22.50	34	5.80	10	6.40	17	7.70
PHI	F25	129	3.50	45	4.40	70	5.60
PHI	F27.50	301	1.40	282	2.50	195	3.10
PRD	$50	—	—	—	—	3	9½
PRD	$60	—	—	3	4¼	—	—
RD	F120	3	17.20	—	—	—	F136.70
RD	F130	66	6.90	1	7.70	—	—
RD	F140	—	—	43	2.60	—	—
S	$25	—	—	10	2	—	$23⅝
S	$65	—	—	—	—	4	1⅛
UNI	F180	23	8.80	4	9	—	F128.50
UNI	F190	10	1.50	5	2.50	—	—
XON	$45	—	—	—	—	1	6½
	Aug.			Nov.		Feb.	
BA	$50	—	—	2	21½	—	$70
BA	$60	—	—	4	13¼	—	—
BA	$70	—	—	1	7⅜	—	—
BA	$80	—	—	1	3½	—	—

TOTAL VOLUME IN CONTRACTS F 2,102

This week's SE dealings

Friday, August 25	4,897	Wednesday, August 23	5,895	Monday, August 21	4,541
Thursday, August 24	6,038	Tuesday, August 22	5,727	Friday, August 18	5,679

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latest can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in pence and fractions of pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

: Bargains at Special Prices. ▲ Bargains done with or between non-members. ♦ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." BA—Australian; SB—Bahamian; SC—Canadian; BHK—Hong Kong; SJ—Jamaican; SM—Malayan; SMe—Mexican; SNZ—New Zealand; SS—Singapore; SUS—United States; SVI—West Indian.

BRITISH FUNDS (656)

[illegible]

INTERNATIONAL BANKS (1)

FREE OF STAMP DUTY

[illegible]

CORPORATIONS (22)

FREE OF STAMP DUTY

[illegible]

PUBLIC BOARDS (17)

FREE OF STAMP DUTY

[illegible]

COMMONWEALTH GOVTS. (4)

REGISTERED AND INSCRIBED STOCKS

[illegible]

COMMONWEALTH CPN. STOCKS

[illegible]

FOREIGN STOCKS (5)

COUPONS PAYABLE IN LONDON

[illegible]

FOREIGN RAILWAYS

[illegible]

BANKS (183)

[illegible]

CANALS & DOCKS (4)

[illegible]

COMMERCIAL (2,973)

A—B

[illegible]

BREWERIES (142)

[illegible]

C—D

[illegible]

E—F

[illegible]

G—H

[illegible]

I—J—K

[illegible]

L—M

[illegible]

N—O—P

[illegible]

Q—R—S

[illegible]

FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£25,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 1.9.78.

Terms (years)	3	4	5	6	7	8	9	10
Interest %	10¾	11	11¼	11½	11¾	12	12	12½

Rates for larger amounts on request. Deposits and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Road, London SE1 8XP (01-928 7822, Ext. 177). Cheques payable to "Bank of England, a/c FFI." FFI is the holding company for ICFC and FCI.

هكذا من الاصل

Scholes (Geo. H.) (25p) 288 (24.8)
Scottish (25p) 79 (24.8)
Scottish Universal Invests. (25p) 126 8
Scottish English European Textiles (20p) 62 (24.8)
Scottish Heritable Trust (25p) 42xd
Scottish Homes Inv. (25p) 201xd (24.8)
Scottish Television NV A (10p) 65xd 4 (24.8)
Sears Hldgs. (25p) 40 :- 7pcAPI 53d 3 (24.5) 7½pcUns Ln. 58 :- (24.8)
Selfridge Grp. (25p) 132 4 (21.8). Ord (25p) 132 (21.8) A (Non V.) (25p) 132d (24.8). New A (Non.V.) (25p) 132 (21.8)
Security Services (25p) 134 (24.8). A (Non.V.) (25p) 132 (23.8)
Sekers Intnl (10p) 38 (22.8)
Selincourt (5p) 28½d
Senior Engineering Grp. (10p) 28½d
Serck (25p) 890 90
Sharna Ware (20p) 118d 19 (24.8)
Sharpe Fisher (25p) 44d (24.8)
Shaw Marvin (10p) 170
Shaw Carpets (10p) 600 590 8
Sheepbridge Eng. (25p) 71 70 (24.8)
Sheffield Refreshment Houses (25p) 63
Sidlaw Inds. (50p) 94d 4 (24.8). 7½pc Uns Ln. 52 (23.8)
Silebe Gorman Hldgs. (25p) 206 8
Silentnight Hldgs. (10p) 86d 70
Silverthorne Grp. (10p) 18 (21.8)
Simon Engineering (25p) 275d 4 (24.8)
Simpson (S.) A (25p) 118d (24.8)
Sirdar (25p) 70
Sisk Group (25p) 97½d 5½d 6 7½. 6½pc Uns Ln. 75 80 88½d 90xd (24.8)
Sketchley (25p) 126
Smart J. (Contractors) (10p) 47 (23.8)
Smith Nephew (10p) 75 6
Smith (David S.) Hldgs. (20p) 76 (24.8)
Smith Wallis (25p) 71 (21.8)
Smith (H. H.) Sons (Hldgs. A (50p) 185d 8 8 (10p) 280
Smith Whitworth (5p) 74 (21.8)
Smiths Industries (50p) 190 (24.8). 8pc Uns Ln. 115 (24.8)
Smith (Jackson) (25p) 211d 8 10
Snowdrift (Wm.) Son (25p) 60 (21.8)
Sotheby Parke Bernet (25p) 276d 80d 75 80. 6½pcPf 98 7½
Sound Diffusion (5p) 46
Southern Constructions (Hldgs.) (5p) 80 7½ 7
Spirrow (G. W.) Sons (20p) 99d. 8½pc Uns Ln. 276d (24.8)
Spear Jackson International (25p) 139
Speedwell Gear Case (25p) 37 (22.8)
Spencer Clark Metal (20p) 31 (24.8)
Spencer Gears (Hldgs.) (5p) 20½d (24.8)
Spencer (George) (25p) 42½ (24.8). 3.5pc Pf 34 (21.8)
Spillers (25p) 36 :- 6pcPf 45½. 7pcDb. 80½. 7½pcDb 69½ (21.8)
Spirax-Sarco Engineering (25p) 174d (24.8)
Squirrel Horn (12½p) 41d 40d (24.8)
Stakis International (25p) 9½
Stag Furniture Hldgs. (25p) 112 (22.8)
Stakis (Rec.) (10p) 36d 6 5
Stanley (A. C.) Hldgs. (5p) 159d 8 (24.8)
Startrite Engineering (20p) 109d
Status Discount (10p) 187d 6
Steelcy 303 300 7pcUns Ln. 60½ (23.8)
Stead Simpson A (25p) 45d 5 4 (24.8)
Steel Brothers Hldgs. (25p) 240 (23.8)
Steetley (25p) 208d 10. 7pcUns.Ln. 120d (24.8)
Steinberg 17½d (24.8)
Sterling Industries (21p) 28d
Stewart Plastics (25p) 163
Stirling Knitting Group (20p) 38½ (21.8)
Stockline Holdings (25p) 27½ (21.8)
Stoddard (Hldgs.) Non-V (25p) 38 (24.8)
Stone-Platt Industries (25p) 122 2
Stothert and Pitt 243d 40d
Streeters of Godalming (10p) 23d
Stroud Riley Drummond (25p) 300d
Sturts Holdings (10p) 14. 8½pc 38½d
Style Shoes (25p) 65 (24.8)
Sumner (Francis) (Hldgs.) (10p) 120 13 (24.8)
Sumrie Clothes (20p) 34 (23.8)
Sunlight Service Group (10p) 31 (22.8)
Super Drug (10p) 55 (24.8)
Swan Hunter Group 152
Swedish Match B (K50) 12 (22.8)
Swibcos (25p) 159 8 (22.8)
Symonds Engineering (5p) 22 (21.8)

T—U—V

Tate (10p) 24½d. 40pcPfd. (10p) 26½d
Tilbury Group (5p) 16½
Tarmac (50p) 127 9. 7½pcPf. 56 (21.8)
Tate and Lyle 180 7½. 8½pcPf. 63 (23.8). 4½pcDb. 33. 5½pcDb. 72
Taylor of Leeds (25p) 73½
Taylor Rutledge (20p) 75
Taylor Woodrow (25p) 432d 4d. 7½pcLn 93 (24.8)
Technimet (25p) 157d 6 (24.8). Ord Shs. (25p) 136 (22.8)
Television (5p) 38 (24.8). A (Non-V) (5p) 37 (24.8)
Telephone Rentals (25p) 143 40
Tempo Inc. 10pc Ln. 149 (24.8)
Tern-Consulate (25p) 71
Tesco Stores (Holdings) (5p) 50 :- 49½ 51
Textured Jersey (10p) 29½d
Thames Plywood Manufacturers (25p) 340
Thermal Syndicate (25p) 102 1 (23.8)
Thomson Organisation (25p) 2590. 11½pcPf (25p) 50 (22.8)
Thorn Electrical Inds. (25p) 390d 80d 90 95 1 5 3 2 6 4 69. 8pcLn. 75 :-
Tiger Oats National Milling 51pcPf. (R2) 4
Tilbury Contracting 303 10 (22.8)
Tilling (T.) (25p) 136d 5d 4 :- 6 1 6 5 6. 8pcLn. 72½ (24.8)
Time Products (10p) 178 9
Tomkins (H.) (5p) 22½d 2
Tomkinsons Carpets (25p) 61 :- (21.8)
Tootal 25.1 49 5pcPf. 36. 6. 44pc Db 35½. 7½pcDb. 65½d (24.8)
Tower (25p) 66½ (21.8)
Tower Housing Milbourne (Hldgs.) (20p) 16 5 60
Trafalgar House (20p) 138d 7 6 3. 5½pcPf 54½d 21 (24.8). 8pcLn. 72½ (21.8). 10½pc 1½ 7
Transport Press (25p) 70 (23.8)
Transport Development (25p) 83
Transvaal Exp. 7½ 4½ (23.8)
Trans Arabia (25p) 156d 4 5
Triplevite (10p) 73d 2d (24.8)
Triplex TV A N-V 57½d 65
Triplex Foundries (25p) 102
Trust Houses Forte 25p) 225 9 7. Option Warrants 25 (23.8). 7 5pcDb. 66½ 9 1pc Ln. 72½d
Tube Invests. 425d 4d 5d 2 3 2d 4. 7½pcUns Ln. 75½. 8½pc. 73½ (24.8). 6½pc Ln. 96 7½ (23.8)
Tunnel Hldgs. B (50p) 394 90
Turner Newall 127d 8 4 2 6 3 8 7. 8pcLn. 99½ (21.8)
Turner Manton (5p) 11½d (24.8)
Turner (W.) (10p) 40d 2½d 13d 7d
Turner (25p) 88d
Tysons (Contractors) (10p) 30d

UBM Gp. (25p) 77. 7½pcPf. 54 (23.8)
UDS Gp. (25p) 81½d 5 100. 4½pcDb. 41
IBO Intnl (25p) 197
JI Textiles (10p) 5½
Ulster TV Nonvtg A (25p) 58
Unigate (Ordinary) (25p) 108d (24.8)
Union Hldgs. (10p) 51 (23.8)
Unipole (25p) 66½ (21.8)
Unit Holdings Millbourn (Hldgs.) (20p) 16 5 60
United Biscuits House (20p) 138d 7 6 3. 5½pcPf 54½d 21 (24.8). 8pcLn. 72½ (21.8). 10½pc 1½
United Newspapers Paper (25p) 70 (23.8)
United Scientific Development (25p) 83
Universal Grp. 7½ 4½ (23.8)
Trans America (25p) 156d 4 5
Triplevite (10p) 73d 2d (24.8)
Triplex TV A N-V 57½d 65
Triplex Foundries (25p) 102
Trust Houses Forte 25p) 225 9 7. Option Warrants 25 (23.8). 7 5pcDb. 66½ 9 1pc Ln. 72½d
Tube Invests. 425d 4d 5d 2 3 2d 4. 7½pcUns Ln. 75½. 8½pc. 73½ (24.8). 6½pc Ln. 96 7½ (23.8)
Tunnel Hldgs. B (50p) 394 90
Turner Newall 127d 8 4 2 6 3 8 7. 8pcLn. 99½ (21.8)
Turner Manton (5p) 11½d (24.8)
Turner (W.) (10p) 40d 2½d 13d 7d
Turner (25p) 88d
Tysons (Contractors) (10p) 30d

UBM Gp. (25p) 77. 7½pcPf. 54 (23.8)
UDS Gp. (25p) 81½d 5 100. 4½pcDb. 41
IBO Intnl (25p) 197
JI Textiles (10p) 5½
Ulster TV Nonvtg A (25p) 58
Unigate (Ordinary) (25p) 108d (24.8)
Union Hldgs. (10p) 51 (23.8)
Unipole (25p) 66½ (21.8)
Unit Holdings Millbourn (Hldgs.) (20p) 16 5 60
United Biscuits (Hldgs.) (25p) 81d 89 90
Utd. Carriers (25p) 66
Utd. City Merchants (10p) 72 70
Utd. Engineering Indusis. (10p) 60 (22.8)
Utd. Gas Indusis. (25p) 69d. 9pcLn. 92d
Utd. Glass 7½pcDb 73d
Utd. Guarantee (Hldgs.) (5p) 380 (24.8)
Utd. Newspapers (25p) 390 (24.8). 6pc Pf. 44½
Utd. Scientific Hldgs. (25p) 376d 6 7
Utd. Spring Steel Gp. (10p) 30½ (22.8)
Utd. Wire Gp. (25p) 60d 6 5 8 (24.8)
Unochrome Intnl (10p) 13½ 13 (24.8)
Usher-Walker (10p) 72 (23.8)

Valor (25p) 50½d 4 2. 5½pcPf. 63
Vantona Gp. (20p) 128d. 4.9pcPf 45½d 1d (24.8)
Vectis Stone (10p) 58
Vibroplant Hldgs. (25p) 188 (24.8)
Vickers 1990 9 202 200
Victor Products (Wallsend) (25p) 234½ 5
Victoria Carpet (25p) 16½
Vinten (20p) 206
Viscose Development (25p) 65 (22.8)
Vosper (25p) 224d 8d 2

W—Y—Z

Waddington (John) (25p) 228
Wade Potteries (10p) 32 (23.8)
Wades Departmental Stores A (20p) 95 (21.8)
Wadham Stringer (10p) 49½ (24.8)
Wagon Ind. Hldgs. (25p) 154 (23.8)
Walker Homer (5p) 14 (24.8)
Walker (James) (25p) 115d. Non-V (25p) 110 8 (24.8)
Walker (Thomas) (5p) 11 (21.8)
Wallis Fashion (10p) 210d (24.8)
Ward Goldstone (25p) 108d
Ward Hldgs. (10p) 40½ (24.8)
Ward (Thos.) (25p) 75 1 (24.8). 11½pc Ln. 82 (23.8). 7½pcLn. 77 (23.8)
Ward White Grp. (25p) 96d 6. 10½pc Pf. 200 (21.8)
Wardle (Bernard) (10p) 28½
Warne Wright Rowland (10p) 57
Warner Holidays (10p) 38½d 8d (24.8). A (10p) 39 (22.8)
Warwick Engineering Investment (20p) 38 (23.8)
Waterford Glass (5p) 56d. 10pcPf. 233 (22.8)
Watmoughs (Hldgs.) (25p) 86d
Watsams (25p) 287
Watson Philip (10p) 54
Watson (R. Kelvin) (10p) 96 86 (22.8)
Watts, Blake, Bearne (25p) 126d
Wearwell (5p) 34d 3 (24.8)
Websters Publications (5p) 52d (24.8)
Weddgwood (25p) 119d 21d 20 19 21 2
Weeks Associates (10p) 33½d
Weir Group (25p) 129 8½
Welbeck Holdings (5p) 23½ 2½
Wellman Engineering Corporation (25p) 53 (23.8)
West Bromwich Spring (10p) 330 4 (24.8)
Westbrick Products (25p) 59
Western Board Mills (10p) 81 (22.8)
Westinghouse Brake Signal (25p) 58½ 9
Westland Aircraft (25p) 38½ 6½ 7. 7½pc Ln. 1987-92 60½ (23.8)
Weston-Evans Group (20p) 156½ 60 5 Ln. 94 (22.8). 11½pcUnsec.Ln. 93½ (23.8). 6½pcDb 78½ (21.8). 7½pcA Db. 65½d. 8pcADb. 73½. 10½pcUnsec. Ln. 94 (22.8). 11½pcUnsec.Ln. 93½
Lamps Secs. (50p) 31
Lloyds Scottish (20p) 103d 1 (24.8)
London European Group (10p) 30 (24.8)
London Scottish Fin. Con. (10p) 42
Manton (J.) Tex. (20p) 47 (21.8)
Martin (R.) (5p) 49
Mills Allen Internatl. (50p) 173d. 1pcPf (50p) 72
Moorgate Mercantile Hldgs. (10p) 128 13
N.M.C. Invests. (12½p) 16
Parmjoe (10p) 12
Park Place Invests (10p) 35½ (22.8)
Provident Financial Group (25p) 114
Rosenaugh (25p) 205 (24.8)
Simp Dunn Holdings (10p) 120 (22.8)
Smith Bros. (25p) 86d (24.8)
Sterling Credit Group (10p) 31 (24.8)
Stock Exchange £4.25 (Reg.) 50 (21.8)
United Group (80.20) 67 (24.8)
Union Dominions Trust (25p) 42d 2 5½ (24.8)
Wagon Finance Corp (25p) 44 (24.8)
West of England Trust (25p) 58 (22.8)
Western Selection and Development (20p) 25 (24.8)
Yule Catto (10p) 80 (24.8)

GAS (10)

Bowring (C. T.) (25p) 114xd 17 18. 5pc Uns Ln. 118 :- 10pcUns.Ln. 178
Brentnall Beard (Hldgs.) (10p) 40 (24.8)
Britannic Assur (5p) 178
Commercial Union (25p) 154d 3d 4 7 5 5
Eagle Star (25p) 134 3
Ennia Finance (U.K.) 9pcLn. 120d (22.8)
Equity Law Life (5p) 188
General Accident Fire Life (25p) 235d 4. 7½pcUns.Ln. 85½ (23.8)
Guardian Royal (25p) 239 8 6 5 7 7½ (24.8). 7½pcPf. 84½ (24.8). 12pcUns.Ln. 64 (24.8)
Hambro Life (25p) 385 80 (24.8)
Heath (C. F.) (20p) 281d 78 9 8d
Hogg Robinson (25p) 213
Howden (Alexander) (10p) 151d 6 5 3½ 1 4. New (10p) 155 2 (23.8)
Legal General (5p) 174
London Manchester (5p) 140
London Utd. (20p) 187d
Matthews Wrightson Hldgs. (20p) 118. 7½pcUnsd.Ln. 240
Minet Hldgs. (20p) 205d 5 7
Moran (Christopher) Gn. (20p) 59d (24.8)
Pearl (5p) 265d 8 5
Phoenix (25p) 260
Provident Life Assoc. London A (Reg.) (25p) 143 (24.8)
Prudential (5p) 164d 3d 1 5 2 4
Reliance (5p) 152 (23.8)
Royal (25p) 399d 5 9½ 7 400
Scottish Life 7½pcUnsd.Ln. 55½d (24.8)
Sedgwick Forbes Hldgs. (10p) 460d
Stenhouse Hldgs. (25p) 108 7
Sun Alliance London 582 80
Sun Life (5p) 110d 10
Willis Faber (25p) 273 5

INVESTMENT TRUSTS (198)

Aberdeen Trust (25p) 152½
Alcoa Secs. Inc. (50p) 86d (24.8)
Ailsa (25p) 116
Alliance Trust (25p) 245 7 5. 64pcPf. 53½d
Allnutt Inc. (50p) 120d (24.8)
Ambrose Inv. (25p) 57½ (21.8)
American Trust (25p) 48½
Anglo American Secs. (25p) 109. 6pcLn. 105 (23.8)
Anglo-Internatl. (25p) 44½
Anglo-Scottish (25p) 81
Archimedes Cap. (50p) 400 (24.8)
Ashdown (25p) 140d 28
Atlantic Assets (25p) 110
Atlas Electric Gen. (25p) 68. 5pcPf. 38 (24.8)
Bankers (25p) 64 5 (21.8). 4pcDb. 28
Berry Trust (25p) 73½d
Bishopsgate Trust (25p) 192 (21.8)
Border Southern (10p) 66½
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M. and G. Second Dual Trust Capital (10p) 126 (50p) 72
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Sun Alliance London 582 80
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STOCK EXCHANGE REPORT

Equities regain confidence after Thursday's shake-out but pre-holiday conditions prevail in all markets

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Aug. 7	Aug. 17	Aug. 18	Aug. 30
Aug. 21	Aug. 31	Sep. 1	Sep. 12
Sep. 4	Sep. 14	Sep. 15	Sep. 26

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Confidence returned to equity markets yesterday when an early extension of Thursday's shake-out, thought likely to incite fresh selling from insecure private investors, instead brought in the odd buying inquiry. Dealers who had defensively lowered values were equally quick to readjust prices upwards and on the ensuing rally suport increased *despite the pre-holiday nature on* the market.

Although the majority were disinterested, a few institutional sources were taking soundings of the trend and accepted offers of both leading and good quality stocks on a selective basis. In receipt of such encouragement, the tone improved further and, despite a noticeable absence of trade from noon onwards, prices retained the enhanced level to the close.

The FT Industrial Ordinary share 1 ndex transformed a loss of 1.6 at the first calculation info a net gains of 4.1 at 513.4 and, despite the near 14 point mid-week fall, closed the first week of the Account with a marginal rise of 0.5. Mr. Healey's remarks about the economy came too late to affect sentiment but dealers were optimistic that fresh buying interest may be promoted when dealings re-start on Tuesday.

Isolated pockets of firmness also developed in situation stocks which included J. Lyons, up 9 at 135p following Allied Breweries decision to allow the extra-*ordinary general* meeting requested by the pension funds, and companies recommended by newspaper advice o r reporting trading announcements.

The recent spell of inactivity continued in British Funds, but scattered gains appeared among the shorter maturities while the medium and longer issues recorded rises of ¼. Business was insufficient for the slightly lower interest rate of this week's Treasury bill tender to have any effect. Corporations, too, were neglected.

Further institutional and arbitrage selling outweighed demand for investment currency and the premium surrendered an early rise of a point to react to 94¾ per cent before closing a point lower on the day at 95 per cent. Yesterday's SE conversion factor was 0.6901 (0.6850).

ICI continued to attract a good business in the Traded Option market ahead of the interim results due on September 7; of the 471 contracts completed, 233 were done in ICI and left respective price improvements of 6½ to 48½p and 8 to 53p in the January and April 360 series.

Banks better

The major clearing banks ended the week quietly firm. NatWest rose 7 to 280p and Barclays added 5 at 355p, while Lloyds and Midland both closed 3 higher at 266p and 360p respectively. Among overseas issues, Standard Chartered relinquished 6 to 440p with sentiment not helped by Press suggestions of an imminent rights issue, while Hongkong and Shanghai cheapened 7 to 337p on investment currency influences. Ahead of next Tuesday's interim results, Allen Harvey and Ross edged forward 5 to 315p among Discounts.

Further consideration of the interim figures prompted a useful recovery in Blue Circle which, at 396p, regained half of the previous day's fall of 12. Other Cements also took on a better apearance, Tunnel regaining 4 to 296p and Rugby a penny to 88p. Elsewhere in the Building sector, leading Contracting issues steadied after the setback over the last few days. Gains of a few pence were recorded in Marshwiel, 156p and R. Costain, 226p. Orme Developments hardened a peny to 54p following the formal letter giving reasons for rejecting the bid from Comben Group, but Newarthill continued to reflect disappointment with the half-yearly results and closed that amount down at 158p for a fall of 7 since the announcement. In contrast, Magnet and Southerns encountered further support and put on 5 more to 227p, while Brown and Jackson firmed 4 to a peak for the year of 202p.

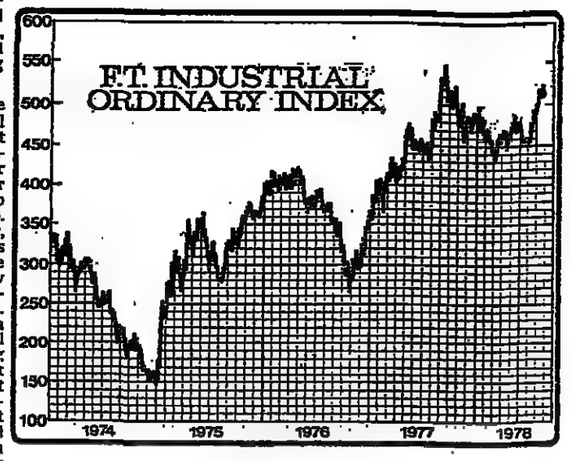
Burton "A" higher

Activity in ICI was at a fairly low ebb, but the price gradually edged higher after an uncertain start to close 6 dearer at 408p.

Stores were notable for a fresh speculative improvement of 4 to 167p in Burton A. Elsewhere, reflecting the return to profitability in the first-half year, Elys (Wimbledon) rose 5 to 203p, after 205p. MFI Furniture closed a similar amount better at 132p. Speculative support was forthcoming for Hardy (Furnishers) and the ordinary and A N5V both gained 2 to 43p and 41p respectively, while Bolton Textile revived with an improvement of 1½ to 12½p.

In Electricals, Philips' Lamp reflected overseas advices with a fall of 15 to 965p, while Pye, 87p, and M.K. Electric, 235p, shed 3 apiece. Allied Insulators lost a penny more to 65p on further consideration of the interim figures, while the chairman's profits warning clipped 2 from Cableform at 78p. Louis Newmark provided a firm contrast at 230p, up 7, on small buying in a restricted market.

Having fallen 28 over the previous three trading sessions on profit-taking, John Brown closed 12 dearer at 472p on the reappearance of buyers. Other Engineering leaders were quietly firm with Hawker faring well at 244p, up 6. Elsewhere, an investment recommendation drew buyers' attention to S. W. Wood which added 5 to 43p, while Danks Gowerton, a recent Press tip, firmed 4 more to 91p. Further consideration of U.S. acquisition news helped Edbro to put on 3 to 215p and Victor Products (Wallsend) gained 2 more to 245p, after 248p, making an advance of 51 on the week and 35 since Wednesday's record results and proposed scrip issues in ordinary and preference shares.



Comp'on Webb down

J. Lyons featured late in Foods, rising 9 to 135p, after 136p, following the announcement by Allied Breweries that an extraordinary general meeting is being convened for September 18 to enable shareholders to consider the various aspects of the proposed merger. Peter Pan Bakeries rose 10 to 60p in a thin market awaiting news of the recently announced bid talks, while G. F. Lovell responded to news of the interim dividend payment with an improvement of 9 to 45p. Barker and Dobson edged forward 1½ to 16½p with the help of call-option business. Speculators came for Cullen's Stores A, 7 higher at 140p, but light profit-taking after the recent good rise left Rowntree Mackintosh 6 cheaper at 429p. Dealings in Rakusen Group were suspended at 16½p at the company's request pending clarification of the position of the company.

Miscellaneous Industrial leaders rallied after Thursday's bout of profit-taking and closed with improvements to 8 following a modest demnd. Beecham ended that much dearer at 718p, while Glaxo, 628p, and Pilkington, 634p, hardened 4 apiece. Rank Organisation also put on 4 to 252p, sentiment still buoyed by the group's joint television venture with Toshiba. Scottish and Universal Investments finshed a couple of pence harder at 127p after the annual meeting. Secondary issues were featured by a fall of 6 to 40p, after 36p, in Compton Sons and Webb on the disclosure that bid talks with Vantona have been terminated. Lower annual earnings left F. Austin (Leyton) a fraction easier at 10½p, but Norvic Securities closed unaltered at 19p, after 18p, despite the interim dividend omission and first-half loss. R. H. Cole were wanted again at 135p, up 6, and Highgate and Job added 5 at 62p. Renewed investment support on consideration of the group's growth potential left Ricardo 4 higher on the day at 294p and 31 dearer on the week.

Motors and Distributors spent a quiet session. Dowty reflected satisfaction with the annual report by rising 4 to 270p, while Press suggestions of a bid from Hawker Siddeley fuelled a rise of 5 to 104p in Zenith Carburretter A. Following the recent good performance on reports of buoyant trading, Garages eased slightly in light trading. Nelson David eased ½ to 10½ on disappointment with the preliminary figures.

Newspapers were inclined harder, News International improving 3 to 278p and Thomson a similar amount to 263p. Elsewhere, ctonimued buying on bid hopes left Collett Dickinson 2 higher at 55p for a rise of 10 on the week.

Properties took on a mixed appearance. Chesterfield improved 3 to 360p following news that the company had sold its 50 per cent interest in the associated Chesterfield Ronson (Europe). Great Portland picked up 2 to 310p, while Westminster hardened a shade further to 23½p in response to the recent announcement of a possible acquisition. Leaders sometimes edged higher, but falls of around 4 were marked against Stock Conversion, 258p, Bradford, 253p, and Daejan, 117p.

BP rally

Activity in the Oil leaders slackened considerably. Nevertheless prices rallied after a quietly dull start and the final tone was steady to firm. Still reflecting disappointment with the latest drilling results on block 206/8 in the Shetlands, British Petroleum eased further to 396p before recovering on scattered support to close at 908p, a rise of 6 on the day. Shell fluctuated narrowly and closed without alteration at 590p. Elsewhere, Siebens (UK), up 4 at 364p, staged a modest rally after the recent setback on fading bid hopes, while a little late interest developed in Oil Exploration which firmed a similar amount to 212p.

Overseas Traders supplied contrasting features in S. Hoffnung, 7 cheaper at 50p on the sharply lower profits, and Lonrho, 3 better at 65p following Press comment. Inchcape returned to favour, rising 9 to 397p.

Investment Trusts drifted gently lower on the occasional small sale and lack of interest. Bishopsgate Property eased 1 to a 1978 low of 4½p on continuing concern about the company's future, while Scottish American Investment, 954p, and Edinburgh Investment Deferred, 246p, lost 3 apiece. Following their respective trading statements, Alliance Trust closed a penny easier at 246p and Second Alliance 3 cheaper at 212p. In Financials, S. Pearson closed without alteration at 242p following the interim figures and dividend forecast which accompanied the formal offer documents for the proposed acquisition of the outstanding shares in Pearson Longman.

Ocean Transport, a dull market of late on the poor interim figures, staged a modest recovery in closing 4 better at 114p following a reasonable two-way trade.

BAT Industries Deferred, 5 off at 295p, provided the sole move.

Among South Africans, Primrose Industrial fell 8 to 67p on the sharply reduced earnings.

Guthrie continued to figure prominently in Plantations, closing only 3 cheaper at 387p, after 383p, for a rise on the week of 29 despite the fresh bid denial from Sime Darby. Consolidated Plantations, which has been suggested as the vehicle for the Sime Darby takeover of Guthrie, hardened 3 to a 1978 peak of 52p.

Poor week in Golds

News that the U.S. Treasury is prepared to draw on its resources at the International Monetary Fund to sustain the value of the dollar caused a $4.25 fall in the bullion price to $198.375 per ounce and extended the latter's fall over the week to $12 which was started by Monday's news *that the U.S. Treasury is to more* than double the amount of gold on offer at it's monthly auctions from November.

Consequently, South African Golds came under renewed pressure with the Gold Mines index falling 1.4 more to 175.9, bringing the loss on the week to 10.2. Business in Golds, however, was on a much smaller scale than earlier in the week. Prices were marked down at the outset and thereafter drifted following modest Cape and London offerings which left them around the day's lowest.

South African Financials were similarly quiet. A further decline in the investment currency premium unsettled prices which generally closed a fraction easier on balance. De Beers dropped 7 more to 422p—a week's fall of 20—on profit-taking following the record profits and increased dividend published on Wednesday.

The $10 increase in the producer price to $250 charged by Impala Platinum failed to inspire Bishopsgate Platinum — which eased 2 to 100p. Rustenburg drifted in sympathy and closed a penny down at 96p.

A feature of Australians was the strength of Uranium following news that the Federal Government and the Northern Lands Council have reached agreement on the terms and conditions for the development of the Ranger deposit.

The Ranger partners, Peko-Wallsend, 15 up at 545p and EZ Industries, 10 higher at 275p, both moved ahead, while Pancontinental advanced a point to £14.

Other Australians, however, lost ground in line with the investment premium.

Elsewhere, continued overnight Canadian selling loweder Yukon Cons 5 more to 160p—a week's loss of 25—following news that Canada's Teck Corporation and Brameda Resources are to acquire a majority interest in the company.

FINANCIAL TIMES STOCK INDICES

—	Aug. 25	Aug. 24	Aug. 23	Aug. 22	Aug. 21	Aug. 18	A year ago
Government Secs	70.65	70.55	70.66	70.68	70.45	70.75	70.34
Fixed Interest	72.45	72.40	72.62	72.53	72.52	72.61	70.22
Industrial Ordinary	513.4	509.3	519.2	522.3	519.5	512.5	464.5
Gold Mines	175.9	177.3	175.2	182.4	179.7	186.1	196.2
Ord. Div. Yield	5.20	5.21	5.15	5.13	5.16	5.22	5.34
Earnings, Y'ld gross(%)	15.54	15.55	15.55	15.51	15.41	15.50	15.14
P/E Ratio (net)(*)	8.53	8.35	8.64	8.65	8.69	8.52	9.64
Dealings marked	4,897	5,038	5,890	5,737	4,941	5,679	5,129
Equity turnover £m	—	79.24	98.02	105.87	78.53	100.31	84.66
Equity bargains total	—	16,586	21,337	20,662	18,116	20,722	11,970

10 am 507.7; 11 am 509.2. Noon 512.4. 1 pm 512.9. 2 pm 513.1. 3 pm 513.1.

Latest Index 01-246 8026.

* Based on 52 per cent corporation tax. † Nil=5.52.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1978 High	1978 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	78.58 (3/1)	68.79 (6/6)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	81.27 (9/1)	70.73 (6/6)	150.6 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	533.2 (23/8)	483.4 (2/3)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	306.6 (14/4)	130.5 (5/1)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Aug. 25	Aug. 24
—Daily		
Gilt-Edged	141.5	129.0
Industrial	185.0	231.2
Speculative	30.2	40.9
Totals	111.6	167.4
5-day Av-rage		
Gilt-Edged	131.5	138.2
Industrials	207.0	212.5
Speculative	39.5	45.0
Totals	122.4	128.9

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	49	—	29	148	77	172
Corpns. Dominion and Foreign Bonds	4	5	55	22	35	265
Industrials	222	328	988	1,915	1,397	4,331
Financial and Property	42	119	298	373	537	1,460
Oils	6	8	23	41	38	94
Plantations	6	4	21	30	23	99
Mines	12	71	45	128	287	225
Recent Issues	4	8	29	32	37	128
Totals	340	543	1,496	2,693	2,376	6,823

LONDON TRADED OPTIONS

Option	Ex'rcise price	October Closing offer	October Vol.	January Closing offer	January Vol.	April Closing offer	April Vol.	Equity price
BP	750	165	3	186	—	—	—	907p
BP	800	115	—	140	3	155	—	"
BP	850	68	—	107	—	120	—	"
BP	900	41	10	70	8	86	—	"
BP	950	18	8	48	8	63	1	"
Cons. Union	140	19	—	21	—	27	—	158p
Cons. Union	160	5	—	11	—	15	—	"
Cons. Union	180	1½	—	6	—	7	—	"
Cons Gold	160	33	—	34	—	39	—	188p
Cons.Gold	180	18	8	21	—	28	—	"
Cons.Gold	200	6	2	12	—	18	—	"
Courtaulds	100	20½	—	22	—	—	—	118p
Courtaulds	110	12½	—	14½	—	16	—	"
Courtaulds	120	6	—	9½	—	13	—	"
Courtaulds	130	3	4	5½	10	9	—	"
GEC	220	94	—	100	—	—	—	312p
GEC	240	74	—	80	—	85	—	"
GEC	260	54	—	63	—	69	—	"
GEC	280	36	9	48	—	55	—	"
GEC	300	21	6	34	—	40	—	"
GEC	330	7	6	18	—	25	—	"
Grand Met.	100	19½	—	22½	—	23	5	117p
Grand Met.	110	10	4	16½	5	16	5	"
Grand Met.	120	4½	—	9	10	11	—	"
ICI	330	77	—	79	2	80	—	408p
ICI	360	47	10	49	21	58	37	"
ICI	390	21½	69	30	2	32	—	"
ICI	420	8	75	16½	20	21½	5	"
Land Secs.	180	40	—	63	8	66	—	238p
Land Secs.	200	40	2	44	—	48	—	"
Land Secs.	220	22	55	26½	—	32½	—	"
Land Secs.	240	8	—	14½	—	20	—	"
Marks & Sp.	60	30	—	31	—	32	—	89p
Marks & Sp.	70	20	—	21	—	22	—	"
Marks & Sp.	80	12	16	13	19	15	—	"
Marks & Sp.	90	4½	1	7½	3	9	—	"
Shell	500	95	—	94	26	110	—	590p
Shell	550	49	—	55	—	73	—	"
Shell	600	16½	—	28	—	43	—	"
Totals			509		119		43	

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1978 high	1978 low
ICI	£1	16	406	+ 6	414	328
BP	£1	15	908	+ 6	926	720
Beecham	25p	11	718	+ 8	725	583
Shell Transport	25p	10	590	—	602	484
BATs Defd.	25p	9	295	− 5	304	227
Rank Org.	25p	9	282	+ 4	284	226
GEC	25p	8	313	+ 4	317	233
Grand Met.	50p	8	117	+ 1	121	87
Marks & Spencer 'New'	25p	8	88	—	93	67½
Thorn Elect.	25p	8	396	+ 2	400	308
Burmah Oil	£1	7	78	+ 3	78	42
Plessey	50p	7	104	+ 2	105	87
Turner & Newall	£1	7	188	+ 1	209	166
Unigate	25p	7	67	+ 1	68	47
Allied Breweries	25p	6	84	− ½	94	78

The above list of active stocks is based on the number of bargains recorded yesterday in the Official List and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1978 high	1978 low
BP	£1	92	908	+22	926	720
ICI	£1	85	406	+ 4	414	328
Shell Transport	25p	74	590	+13	602	484
Rank Org.	25p	64	282	+24	284	226
Beecham	25p	49	718	+11	725	583
BATs Defd.	25p	48	295	—	304	227
Barclays Bank	£1	41	355	+ 1	365	296
GEC	25p	41	313	+ 1	317	233
Thorn Elect.	25p	41	396	− 4	400	308
GUS A	25p	39	322	+ 8	326	256
Distillers	50p	38	200	− 1	204	163
Ocean Transport	25p	35	114	− 3	138	104
RTZ	25p	34	240	− 4	248	164
De Beers Defd.	R0.05	33	422	−20	464	285
GKN	£1	33	287	+ 1	296	248

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Aug. 15	Aug. 29	Nov. 9	Nov. 21
Aug. 30	Sep. 11	Nov. 23	Dec. 5
Sep. 12	Sep. 25	Dec. 7	Dec. 19

For rate indications see end of Share Information Service

Money was given for the call in Maple, Thomson Organisation, Lonrho, Ultramar, Diploma Investments, J. Lyons, Ramar Textiles, London Brick, Barker and Dobson, and Bonser Engineering. A put was done in New Throgmorton Capital, while doubles were arranged in Barker and Dobson and Tricentrol.

BASE LENDING RATES

A.B.N. Bank	10 %	■ Hill Samuel	§10 %
Allied Irish Banks Ltd.	10 %	C. Hoare & Co.	†10 %
American Express Bk.	10 %	Julian S. Hodge	11 %
Amro Bank	10 %	Hongkong & Shanghai	10 %
A P Bank Ltd.	10 %	Industrial Bk. of Scot.	10 %
Henry Ansbacher	10 %	Keyser Ullmann	10 %
Banco de Bilbao	10 %	Knowsley & Co. Ltd.	12 %
Bank of Credit & Cmce.	10 %	Lloyds Bank	10 %
Bank of Cyprus	10 %	London Mercantile	10 %
Bank of N.S.W.	10 %	Edward Manson & Co.	11½%
Banque Belge Ltd.	10 %	Midland Bank	10 %
Banque du Rhone	10½%	■ Samuel Montagu	10 %
Barclays Bank	10 %	■ Morgan Grenfell	10 %
Barnett Christie Ltd.	11 %	National Westminster	10 %
Bremar Holdings Ltd.	11 %	Norwich General Trust	10 %
Brit. Bank of Mid. East	10 %	P. S. Refson & Co.	10 %
■ Brown Shipley	10 %	Rossminster	10 %
Canada Perm't. Trust	10 %	Royal Bk. Canada Trust	10 %
Capitol C & C Fin. Ltd.	10 %	Schlesinger Limited	10 %
Cayzer Ltd.	10 %	E. S. Schwab	11½%
Cedar Holdings	10½%	Security Trust Co. Ltd.	11 %
■ Charterhouse Japhet	10 %	Shenley Trust	11 %
Choulartons	10 %	Standard Chartered	10 %
C. E. Coates	10 %	Trade Dev. Bank	10 %
Consolidated Credits	10 %	Trustee Savings Bank	10 %
Co-operative Bank	*10 %	Twentieth Century Bk.	11 %
Corinthian Securities	10 %	United Bank of Kuwait	10 %
Credit Lyonnais	10 %	Whiteaway Laidlaw	10½%
The Cyprus Popular Bk.	10 %	Williams & Glyn's	10 %
Duncan Lawrie	10 %	Yorkshire Bank	10 %
Eagil Trust	10 %		
English Transcont.	11 %		
First Nat. Fin. Corp.	13 %		
First Nat. Secs. Ltd.	12 %		
■ Antony Gibbs	10 %		
Greyhound Guaranty	10 %		
Grindlays Bank	‡10 %		
■ Guinness Mahon	10 %		
■ Hambros Bank	10 %		

■ Members of the Accepting Houses Committee.

* 7-day deposits 7%, 1-month deposits 7¾%.

† 7-day deposits on sums of £10,000 and under 6¾%, up to £25,000 7¼%, and over £25,000 6¾%.

‡ Call deposits over £1,000 7%.

§ Demand deposits 7¾%.

NEW HIGHS AND LOWS FOR 1978

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1978.

NEW HIGHS (60)

BANKS (2)
Allied Irish — Brown Shipley

BUILDINGS (70)
Brown & Jackson — Magnet & Stms.
Henderson (P. C.) A — Tilbury Contracting
Hoveringham R.Vtg. — Thurgar Bardex
Ibstock Johnsen

DRAPERY (7)
Boardman (K. O.) — MFI Furniture
Burton A — Midland Educational
Hardy (Furn.) — Sumrie
Do. A N-V

ELECTRICALS (4)
Comet Radio — Lec Refrigeration
Electronic Rentals — Newmark (Louis)

ENGINEERING (10)
Bromsgrove Casting — Hall Engineering
Cooper Inds. — Jenks & Cattell
Danks Gowerton — Molins
Edbro — Spear & Jackson
Farmer (S. W.) — Triplex Foundries

FOODS (4)
Barker & Dobson — Cullens
Lovell (G. F.) — Do. A

INDUSTRIALS (10)
Cole (R. H.) — Lindsay & Williams
Dundonian — M.Y. Dart
Howard Tenens — Martin-Black
Huntleigh — Photo-Me
Leisure Caravan — Sandhurst Marketing

LEISURE (2)
HTV N-V — LWT A

PAPERS (3)
Collett Dickenson — McCorquodale
Ferry Pickering

PROPERTY (2)
Chesterfield — Westminster Property
Estates & General

SHOES (1)
Ward White

TEXTILES (1)
Tomkinsons

TRUSTS (4)
Anglo Int Asset Shs — Haw Far
G.T. Japan — Saint George Assets

RUBBERS (1)
Consld. Plantations

MINES (1)
Honskong Tin

NEW LOWS (2)

SHIPPING (1)
Hunting Gibson

TRUSTS (1)
Bishopsgate Property

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p	+ or −	Div. P. or Amount	Times Covered	Gross Yield	P/E Ratio
35	F.P.	5/1/8	61	71	Carriers Superfoods	78	.....	nil	2.41	3.1	4.7	7.0
¶¶	F.P.	—	12¾	4	Emray	10½	.....	—	—	—	—	—
100	F.P.	5/7	197	142	Eurotherm	191	−4	b2.64	3.0	2.1	18.2
85	F.P.	24/8	94	63	Hunting Petr. Services	88	−2	4.66	3.0	5.0	8.8
115	F.P.	8/8	154	138	Jones (B.) (Jew'ln) 10p	154	.....	h5.5	2.1	5.3	18.4

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price £	+ or −
£99.4	F.P.	—	99¼	99	Birmingham Var Rate 83-85	99	−⅛
••	F.P.	8/9	98½	98	Caffyns 10% Pref.	98½	.....
£99¾	F.P.	—	100	99¾	Camden Var. Rate Red. 1983	99¾	.....
£100	£50	15/12	51⅜	50⅛	Do. 12½% Red. 1985	50½	.....
••	F.P.	15/9	98	96	Central & Sheerwood 10% Pref.	97½	.....
••	F.P.	29/9	98	98	Crosby Spring Interiors 10% Pref.	98	.....
••	—	—	98p	97p	E.R.P. 10% Cum. Pref.	98p	.....
¶	F.P.	7/9	98⅝	98	East Anglia Water 7% Red. Pref. 1983	98	.....
••	F.P.	29/9	98½	98¼	G. R. Holdings 10½% Pref.	98½	.....
£99½	F.P.	—	99⅜	99¼	Kensington and Chelsea Var. Rate. 1985	99⅜	+⅛
¶¶	F.P.	—	86	85	Mooloya 12% Partly Conv. Uns. Ln. '86-'88	85	.....
100p	Nil	7/9	21p	15p	Negretti and Zambra 6% Cnv. Pref.	18½p	.....
£100	F.P.	—	99¾	99¾	Northampton Var. Rate Red. 1985	99¾	.....
§100p	F.P.	1/9	100½p	99½p	Pitman 10% Cum. Pref.	100½p	.....
••	—	—	101p	98½p	Raybeck 10½% Cum. Pref.	100p	.....
••	F.P.	15/9	96½	94½	Rotork 9% Cum. Pref.	95	.....
••	F.P.	15/9	99	95½	Sotheby Parke Berner 9½% Cum. Pref.	98	.....
£99¾	F.P.	—	100	99¼	Sefton Var. Rate Red. 1985	99⅝	.....
£98¼	£45	20/10	44¾	43	Southend-on-Sea 12% Red. 1985	44⅜	.....
£99¾	F.P.	—	99½	99⅛	Strathclyde Var. Rate 1985	99⅛	.....
£99¾	F.P.	—	99⅞	99⅝	Wandsworth Variable 1985	99⅞	.....

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1978 High	1978 Low	Stock	Closing Price p	+ or −
$20	Nil	—	—	40	33	Bank of Montreal	40	.....
50	Nil	30/8	24/11	21pm	17pm	Blackwood Hodge	19½pm	+½
56	F.P.	8/8	1/9	69	48	Headlam Sims & Coggins	59	.....
70	F.P.	10/8	21/9	98	79	Leech (Wm.)	95	+1
77	Nil	—	—	9pm	7pm	Lex Services	8½pm	−½
35	F.P.	3/8	1/9	49½	46	Norton (W. E.)	47	.....
94	P.P.	21/8	4/19	111	104	Property Partnerships	111	.....
50	F.P.	28/7	8/9	72	56	Sutcliffe Speakman	64	.....
110	F.P.	14/8	8/9	159	134	Texalemit	156	+1
100	F.P.	25/8	22/9	121	119	Williams J'm'sEn.9.5% CvCmRdPf	121	.....
64	F.P.	18/8	15/9	104	90	Yorkshire Chemicals	101	−1

Renunciation date usually last day for dealing free of stamp duty. *p* Figures based on prospectus estimate. *a* Assumed dividend and yield. *u* Forecast dividend cover based on previous year's earnings. *s* Dividend and yield based on prospectus or other official estimates for 1979. *o* Gross. *t* Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. ¶ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. †† Minimum tender price. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. ⌉ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS and SUB-SECTIONS (Figures in parentheses show number of stocks per section.)	Fri., Aug. 25, 1978 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 25%)	Est. P/E Ratio (Net) Corp. Tax 52%	Thurs. Aug. 24 Index No.	Wed. Aug. 23 Index No.	Tues. Aug. 22 Index No.	Mon. Aug. 21 Index No.	Year ago (approx.) Index No.	Highs and Lows Index 1978 High	1978 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (170)	245.63	+0.5	15.69	5.01	8.77	244.49	247.74	248.95	245.83	201.07	248.95 (22/8)	188.95 (2/3)	248.95 (22/8/78)	50.71 (13/12/74)
2	Building Materials (27)	222.97	+0.5	15.75	5.00	8.92	221.86	225.45	226.68	222.85	173.79	226.68 (22/8)	166.30 (3/3)	233.84 (2/5/72)	44.27 (13/12/74)
3	Contracting Construction (27)	399.81	−0.2	17.45	3.71	8.32	400.43	410.60	413.64	409.79	286.59	413.64 (22/8)	289.35 (6/3)	413.64 (22/8/78)	71.48 (2/2/74)
4	Electricals (14)	532.93	+1.0	13.44	3.45	10.35	527.63	532.77	535.08	532.09	423.02	535.08 (22/8)	404.47 (2/3)	535.08 (22/8/78)	84.71 (25/6/62)
5	Engineering Contractors (14)	362.03	−0.1	16.64	5.72	8.01	362.41	364.87	363.73	357.24	299.46	364.87 (23/8)	270.95 (6/3)	364.87 (23/8/78)	64.39 (2/1/75)
6	Mechanical Engineering (22)	196.40	+0.5	16.84	5.52	7.93	195.33	197.68	198.68	195.45	169.91	198.68 (22/8)	149.87 (2/3)	198.68 (22/8/78)	45.43 (6/1/75)
8	Metals and Metal Forming (16)	178.15	−0.1	15.80	7.93	8.62	178.35	180.55	181.64	179.38	160.70	181.64 (22/8)	154.22 (27/2)	181.64 (22/8/78)	49.65 (6/1/75)
11	CONSUMER GOODS (DURABLE) (52)	223.17	−0.1	15.64	4.73	8.90	223.50	225.52	226.33	222.13	190.68	226.33 (22/8)	173.63 (3/3)	227.78 (21/4/72)	38.39 (6/1/75)
12	Lt. Electronics, Radio TV (15)	275.10	−0.2	13.57	5.71	10.30	275.79	277.75	279.14	273.57	230.52	279.14 (22/8)	209.01 (3/3)	279.14 (22/8/78)	42.85 (13/12/74)
13	Household Goods (12)	184.49	−0.3	16.07	6.13	8.56	184.96	185.77	186.42	185.99	173.19	189.08 (14/8)	160.54 (6/

AUTHORISED UNIT TRUSTS

INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

Prices do not include 5 premium, except where indicated ♁, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b To-day's prices. c Yield based on offer price. d Estimated. g To-day's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. ♦ Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♁. ¶ Guernsey gross. ‡ Suspended. ♦ Yield before Jersey tax. † Ex subdivision.

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FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
105¼	101¼	Treasury 11½pc '78	101¼xd	.....	11.31	8.27
97	94¼	Treasury 3pc '79	95¼xd	.....	3.15	7.28
97⅞	95⅛	Electric 4½pc '74-79	95⅞xd	.....	4.43	8.36
104⅞	99⅞	Treasury 10½pc '79	100½	.....	10.42	9.72
96½	94¼	Electric 3½pc '76-79	95½	.....	3.66	7.36
103½	96½	Treasury 9pc 1980	99½xd	+½	9.07	9.62
102⅛	97⅛	Treasury 9½pc '80	99⅛	+⅛	9.58	10.03
95⅛	92¼	Treasury 3½pc '77-80	93⅞	.....	3.73	7.19
96¼	93¼	Funding 5½pc '78-80	94	.....	5.99	8.92
110¼	103¼	Exchequer 13pc 1980	104	.....	12.50	10.87
106¼	99½	Treasury 11½pc 1981	101¼	.....	11.38	10.93
91⅛	88¼	Treasury 3½pc 1979-81	90	.....	3.89	8.04
101⅛	95⅞	Treasury 9½pc 1981	97⅞xd	+⅛	10.01	10.95
97⅞	91⅞	Exch. 8½pc 1981	94¼	.....	8.77	10.75
100⅞	94¼	Exch. 9½pc 1981	96¼	.....	9.88	11.07
87¼	85¼	Exch. 3pc 1981	86¼	.....	3.47	8.25
97½	95⅛	Treas. Variable '81	95¼	.....	9.82	10.03
111	102¾	Exch. 13½pc 1981	103½xd	+¼	12.27	11.22
99⅞	91⅞	Treasury 8½pc 80-82	93⅞	.....	9.08	10.77
85⅞	82⅞	Treasury 3pc '82	85	.....	3.53	8.04
115⅞	106¼	Treasury 14pc '82	108xd	+¼	12.96	11.24
96½	94⅞	Treas. Variable '82	94⅞	.....	9.92	11.11
96⅞	89⅞	Treasury 8½pc '82	91½	.....	9.02	11.00
100⅞	91⅛	Exch. 9½pc 1982	93xd	+¼	9.95	11.47
96½	89½	Exch. 8½pc 1983	91⅛	.....	9.61	11.38
85⅛	79⅞	Exch 3pc '83	82¼	.....	3.67	7.51
114⅞	100½	Treasury 12pc 1983	102¼xd	.....	11.76	11.43
100⅛	89½	Treasury 9½pc '83	91¾	.....	10.03	11.49

Five to Fifteen Years

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
95¼	93	Exch. 10pc 1983	94¼	+⅛	10.69	11.67
89⅞	80¼	Funding 5½pc '82-84	83¼	+⅛	6.66	9.72
96⅞	86¼	Treasury 8½pc '84-86	88⅞	+⅛	9.69	10.85
87⅞	77¼	Funding 6½pc '85-87	80½	+⅛	8.31	10.36
89⅞	79½	Treasury 7½pc '85-88	81⅞	+⅛	9.58	11.05
68⅞	60⅞	Transport 3pc '78-88	64⅞	+⅛	4.70	8.48
75⅞	64½	Treasury 5pc '86-89	68¼	+⅛	7.55	10.12
115⅞	101⅞	Treasury 13pc 1990	106¼	+⅛	12.44	12.23
89⅞	77½	Treasury 8¼ 87 90	81⅞	+⅛	10.32	11.37
106½	92½	Treasury 11½pc 1991	97¼	+⅛	12.22	12.35
75½	63¼	Funding 5½pc '87-91	67¼	+⅛	8.80	10.86
112⅞	98¼	Treasury 12pc 1992	102	+⅛	12.54	12.47
96½	84⅞	Treasury 10pc '92	86¼	+⅛	11.64	12.14
113	97¼	Exch. 12¼pc '92	98¼xd	+⅛	12.42	12.46

Over Fifteen Years

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
118⅞	96¼	Treasury 12½pc '93	101	+⅛	12.53	12.52
72¼	60¼	Funding 6pc 1998	62¼xd	+⅛	9.62	11.24
120¼	104½	Treasury 13¼pc 1993	110⅞	+⅛	12.86	12.69
120⅞	110⅞	Treasury 14pc '94	112xd	+⅛	12.93	12.70
114¼	97¼	Exch. 12½pc 1994	99⅞	+⅛	12.62	12.59
89⅞	76¼	Treasury 9pc '94	81⅞	+⅛	11.42	11.98
106⅞	93	Treasury 12pc '95	97⅞	+⅛	12.46	12.51
51⅞	43¼	Gas 3pc '90-95	46¼	+⅛	6.63	9.68
95	82¼	Exch. 10¼pc 1995	85⅞	+⅛	11.98	12.30
114¼	98½	Treasury 13½pc '95	104¼	+⅛	12.62	12.58
90½	76¼	Treasury 9pc '92 98	77½xd	+⅛	11.55	12.06
131½	114½	Treasury 15½pc '98	121¼	+⅛	13.11	12.87
117⅞	101⅞	Exchequer 13½pc '98	108	+⅛	12.72	12.64
50	42¼	Redemption 3pc 1986-96	43⅞xd	.....	6.80	9.54
115¼	100⅞	Treasury 12½pc '97	105¼	+⅛	12.73	12.65
98⅞	85	Exchequer 10½pc 1997	86¼	+⅛	12.17	12.40
88¼	74⅞	Treasury 8½pc 1997	75½xd	+⅛	11.64	12.12
72¼	60	Treasury 6½pc '98-08	63¼	+⅛	11.02	11.87
138⅞	117⅞	Treas. 15½pc '98	117½xd	+⅛	13.68	12.97
99⅞	93¼	Exch. 12pc 1998	99	+⅛	12.56	12.60
90⅞	77¼	Treasury 9pc 1999	80⅞	+⅛	11.92	12.21
92½	83¼	Treasury 10pc 1999	88¼	+⅛	12.24	12.41
55⅞	54¼	Exch. 12pc 99-02 £50pd	54⅞	+⅛	12.55	12.58
42½	34¼	Funding 3½pc '99-04	36¼	+⅛	9.64	10.94
80⅞	67½	Treasury 8pc '02-06	70⅞	+⅛	11.87	12.08
58⅞	46⅞	Treasury 5½pc '08-12	47¼xd	+⅛	11.60	11.86
76⅞	62½	Treasury 7¼pc '12-15	65¼	+⅛	12.01	12.09
97¼	93½	Exch. 12pc '13-17	97½	+⅛	12.55	12.54

Undated

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
37¼	30¼	Consols 4pc	32¼	.....	12.50	—
37½	29¼	War Loan 3½pc	31½	.....	11.44	—
39⅞	33	Conv. 3½pc '61 Aft	34½xd	.....	12.16	—
28⅞	25⅞	Treasury 2½pc 66 Aft	25	.....	12.61	—
24⅞	19¼	Consols 2½pc	20⅞	.....	12.20	—
24	19¼	Treasury 5pc	19¼xd	.....	12.52	—

INTERNATIONAL BANK

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
88	82½	5pc Stock '77-82	84	.....	5.95	9.95

CORPORATION LOANS

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
98¼	93¼	Birm'ham 9½pc '79-81	94¼	.....	9.83	11.62
94¼	88¼	Bristol 7½pc '78-81	89¼	.....	8.68	11.84
107	100¼	G.L.C. 15½pc '82	103¼	.....	12.03	11.96
89⅞	76¼	Do. 9pc '85-87	81¼	.....	12.33	12.15
97¼	90¼	Glasgow 8½pc '80-82	92	.....	10.05	11.70
94	90¼	Do. 9pc '78-80	92	.....	5.71	10.34
99⅞	97¼	Liverpool 5½pc '76-78	99½	+½	5.78	9.82
102½	90¼	Do. 9½pc '80-84	95½	.....	10.50	11.46
29½	25¼	Do. 3½pc Irred.	27	.....	13.43	—
99¼	91	Lon. Corp. 9½pc '84-85	94½	.....	10.18	11.12
97¼	94¼	L.C.C. 8pc '76-78	96¼xd	.....	6.22	9.70
92½	84½	Do 5½pc '77-81	86¼xd	.....	6.35	10.79
87½	76½	Do 3½pc '82-84	80	.....	6.93	10.22
70½	63¼	Do 5½pc '85-87	70¼	.....	7.95	11.06
78	66	Do 6½pc '88-90	68½	.....	9.97	11.88
26½	22½	Do 3pc '20 Aft	23¼xd	−¼	12.79	—
93¼	91	Middx. 5½pc 1980	93xd	.....	5.65	10.18
99¼	94¼	Newcastle 9½pc '78-80	96¼xd	.....	9.58	11.20
106¼	100¼	Warwick 12½% 1980	102¼	.....	12.22	11.25

COMMONWEALTH & AFRICAN LOANS

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
107¼	95¼	Aust. 5½pc '75-78	107¼xd	.....	5.51	5.41
95¼	92¼	Do. 5½pc '77-80	94¼	−¼	5.89	10.84
88¼	82¼	Do. 5½pc '81-82	85¼	.....	6.52	11.32
99¼	96¼	N.Z. 4pc '78-78	98¼	.....	4.08	10.82
96½	92	Do. 6pc '78-83	93¼xd	.....	6.41	10.66
87¼	81¼	Do. 7½pc '83-86	82¼	.....	9.22	11.12
95½	91	Sth. Africa 9½pc '79-81	95	−¼	10.52	12.55
70	50	Sth. Rhod. 2½pc '85-70	51	.....	—	—
96	78	Do. 6pc '78-81	78	.....	—	—

LOANS

Public Board and Ind.

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
64½	58½	Agric. Mt. 5pc '89-89	61½	.....	8.22	11.36
90½	80¼	Alcan 10½pc '89-04	84	.....	12.89	13.30
33¼	27¼	Met. Wtr. 3pc 'B'	28xd	+¼	10.68	12.41
154	107	U.S.M.C. 9pc 1982	154	.....	5.93	—
95½	87	Do. without Warrants	91½	.....	10.06	12.40

Financial

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
107¼	101	FFI 12pc 1981	102½	.....	12.69	11.74
110	102	Do. 14pc '79	108¼xd	.....	13.84	13.10
114½	102½	Do. 14pc '83	109	.....	13.13	12.26
85	79½	ICFC 5½pc Deb. '80-82	80¼xd	+¼	6.81	11.30
81½	73¼	Do. 6½pc Deb. '84-86	78	.....	8.22	11.80
99	89½	Do. 10½pc Uns. Ln. '88	92	.....	11.62	12.40
99¼	90½	Do. 11pc Uns. Ln. '90	93	.....	12.05	12.50
101½	90½	Do. 11¼pc Uns. Ln. '90	95½	.....	12.55	12.80
71½	62½	Do. 7½pc ADeb. '80-82	65¼	.....	11.46	13.00
71½	62	Do. 7¼pc A Db. '91-94	62xd	.....	11.69	12.90
84½	73	Do. 9pc 'A' 91-94	74xd	.....	12.16	12.90
81¼	68	Do. 8½pc La. '92-97	71¼xd	.....	12.37	12.88

FOREIGN BONDS & RAILS

1978 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
24	17	Antofagasta Rly	24	.....	—	—
40	33	Do. 5pc Pref.	40	.....	—	—
98	98	Chilean Mixed	98	.....	—	£3.10
415	350	German Ymg. 4½pc	411	.....	4½	—
54	46	Greek 7pc Ass.	54	.....	3½	£6.60
51	46	Do 6pc 2d Stab Ass.	51	.....	6	£5.88
44	40	Do 4pc Mixed Ass.	45	.....	4	£4.65

BONDS & RAILS—Cont.

1978 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
55	42	Hung. '24 Ass.	50	−5	4½	5.59
77	65	Iceland 6½pc '83-88	66	.....	—	12.70
88	82½	Ireland 7½pc '81-83	83¼	.....	7½	12.40
91	79	Do 9½pc '91-96	79¾xd	.....	9¼	12.58
425	265	Japan 4pc '70 Ass.	385	.....	—	—
87	68½	Do 6pc '53-68	72	+1	6	10.70
160	140	Peru Ass. 3pc	140	.....	3	2.17
75p	75p	S.G.L. 6½pc 1980	75p	.....	6½	8.67
59⅞	59¼	Turin 8pc 1981	59¼	.....	9	9.52
DM91	D78	Turin 6½pc 1984	DM91	.....	6½	8.80
97	94	Uruguay 3½pc	97	.....	3½	3.60

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

1978 High	Low	Stock	£	+ or −	Div. Gross	Cvr	Y'ld Gr's
21¼	13½	ASA	19½	−⅛	80c	—	2.0
60½	60½	AMF 5% Conv. '87	60½	.....	5%	—	f4.9
32⅞	22	Amax $1	31½xd	+¼	$1.75	—	2.8
50⅞	21¼	American Express	27	+¼	$1.40	—	2.4
24¼	11	Amer. Medic. Int.	21⅞	.....	30c	—	0.7
969p	595p	Asarco Inc	11⅞	+⅛	40c	—	1.7
28¼	18¼	Baker Intnl. Corp. $1	24¼xd	+⅛	64c	—	1.3
19¼	11⅞	Barnes Grp. $5	18¼	+⅛	90c	—	2.4
33¼	22	Bendix Corp. $5	32⅞	+⅛	$2.20	—	3.6
29¼	13	Beth. Steel $8	18¼xd	+¼	$1.00	—	2.8
625p	425p	Brown's Fer. £163	11½	.....	40c	—	1.7
85½p	54¼	Brunswick Corpn. $	12¼xd	−¼	70c	—	2.8
41⅞	25¼	Burroughs Corp. $5	63¾	+⅛	$1.00	—	0.8
30½	22⅞	CBS $2.50	47½	+¼	$2.40	—	2.6
28¼	22¼	C.P.C. $5	39	+¼	$2.50	—	3.3
26¼	17¼	Caterpillar	46xd	+¼	$1.80	—	2.0
17¼	12¼	Chase M'hn $12.5	25⅞	+⅛	$2.20	—	4.3
13⅞	9¼	Chesebrough $1	19⅞	−⅛	94c	—	2.4
76⅞p	55¼p	Chrysler 50p	90½xd	−3	$1.00	—	5.6
13½	8¼	Citicorp $4	20½	+⅛	$1.06	—	2.6
22⅞	13½	City Inv. $1.25	12½xd	.....	$1.00	—	4.0
25	14⅞	Do. Cm. Prf. B $1	21	.....	$2	—	4.8
18⅞	12¼	Colgate-P. $1	15½xd	+⅛	$1.00	—	3.3
32¼	29	Colt Inds. $1	30½	+⅛	$2.10	—	5.6
26	15½	Cont. Illinois $10	24½	+⅛	$1.32	—	2.7
25⅞	17	Cont. Oil $5	21⅞xd	+⅛	$1.40	—	3.3
29¼	20⅞	Crown Zell. $5	27¼xd	+⅛	$1.90	—	3.5
26¼	20⅞	Cutler-Hammer $5	43xd	+¼	$1.40	—	1.7
26½	20¼	Eaton Crp. $0.50	30xd	.....	$2.20	—	3.2
26¼	17¼	Esmark	22¼	+⅛	$1.84	—	3.7
26¼	20⅞	Exxon $	37xd	.....	$3.20	—	4.4
670p	415p	Firestone Tire $	95½p	−13	$1.10	—	5.8
19⅞	11¼	First Chicago	19	.....	$1.10	—	2.9
30½	20¼	Phizer Crp. $¼	30½	.....	$1.20	—	2.0
36⅞	26⅞	Ford Motor $2	34⅞xd	.....	$3.20	—	4.7
29¼	14⅞	GATX	23⅞xd	.....	$2.50	—	5.3
25⅞	18⅞	Gen. Elect $2½	42½	.....	$2.20	—	2.6
25⅞	15¼	Gillette $1	23⅞xd	.....	$1.60	—	3.4
26⅞	20	Honeywell $1.50	53⅞	.....	$2.20	—	2.0
17⅞	11¼	Hutton E.F.	16⅞xd	.....	$0.60	—	2.5
172	111	I.B.M. Corp. $5	224xd	−2	$1.52	—	2.7
52¼	34	Ingersoll-R $2	45¼xd	+¼	$3.00	—	3.3
21⅞	739p	Int. Systems & Con. $1	18⅞	+⅛	25c	—	0.7
998p	795p	I. U. International $1	934p	+6	95c	—	5.2
28¼	18	Kaiser Al. $1	26¼xd	.....	$1.60	—	3.1
20	20	Manf. Han. US$7.50	29⅞	−⅛	$2.08	—	3.5
41¼	26⅞	Morgan (JP) US$2.5	38¼	−⅛	$2.20	—	2.9
17½	12	Norton Simon Inc. $1	15¼	−⅛	76c	—	2.6
18⅞	13¼	Owens-Ill. $3.125	18¼	.....	$1.16	—	3.3
21⅞	14¼	Quaker Oats US$6	20¼	+¼	$1.04	—	2.6
28⅞	15¼	Reliance $0.25	26⅞xd	+¼	15c	—	—
30⅞	16¼	Rep. N.Y. Corp. $5	29⅞	+¼	$1.00	—	1.7
25⅞	14¼	Reynolds $5	14½xd	−¼	88c	—	3.1
24¼	14¼	Richdsn. Merrill $1¼	22	.....	90c	—	2.0
25⅞p	20⅞p	Saul (B. F.) $1	52⅞p	+4⅞	—	—	—
18⅞	16¼	Shell Oil $1	26xd	.....	$1.80	—	3.5
19⅞	11⅞	Singer (S.10)	15⅞	.....	80c	—	2.6
36⅞	22	Sperry Rand 50.50	36¼	.....	$1.12	—	1.5
18⅞	13⅞	TRW Inc. $1¼	31¼xd	.....	$1.80	—	2.9
27¼	18⅞	Tenneco	23¼xd	+¼	$2.00	—	4.4
131	101	Do. 10% Ln. Stk. 91-86	150	.....	10%	—	f6.7
975p	505p	Texaco Pt. US$0.1667	792p	−25	—	—	—
22	16⅞	Texaco $4.25	18⅞xd	.....	$2.00	—	5.4
42	22⅞	Time Inc.	37⅞	.....	$0¼	—	2.0
14⅞	8⅞	Transamerica $1	14¼	.....	80c	—	2.9
21¼	21¼	Utd. Tech. $USS	37¼	−½	$2.00	—	2.7
24½	17¼	U.S. Steel $1	29⅞	−⅛	$1.60	—	3.9
11⅞	11⅞	Woolworths $3½	16¼	−⅛	$1.40	—	4.4
49⅞	28⅞	Xerox Corp. $1	45½	−¼	$2.00	—	2.2
975p	385p	Komies Inst. 10c	665p	−75	7½c	—	0.6
14½	10⅞	Zapata Corp. 25c	13	.....	c30c	—	1.2

S.E. List Premium 44¾% (based on US$1.9240 per £)
Conversion factor 0.6901 (0.6850)

CANADIANS

1978 High	Low	Stock	£	+ or −	Div. Gross	Cvr	Y'ld Gr's
16¼	10¼	Bk Montreal $2	15½xd	−¼	$1.12	—	3.3
16½	10¼	Bk. Nova Scot.	14¼xd	−⅛	96c	—	3.1
42⅞	30¼	Bell Canada $25	39⅞	−⅛	$4.2	—	4.9
26¼	12	Bow Valley	26¼	.....	12½c	—	0.2
12⅞	8⅞	Brascan	11⅞	−¼	$1.10	—	4.9
27¼	14	Can Imp. Bk. $2	19½xd	−¼	$1.44	—	3.5
15¼	9⅞	Can. Pacific $5	15	−⅛	97c	—	3.0
37½	30¼	Do. 4pc Deb. £100	33¼	.....	4%	—	12.0
19¼	14¼	Gulf Oil Can. $	19¼xd	−¼	$1.14	—	2.7
630p	315p	Hawker Sid. Can. $	530p	+5	40c	—	3.0
31¼	16¼	Hollinger $5	27¼xd	−¼	12½c	—	3.5
16¼	11¼	Hudson's Bay $	15½	−½	69c	—	2.0
33¼	24⅞	Hud. B. Oil G. $2½	30½	.....	$1.60	—	2.5
14¼	11¼	Imperial Oil $	14¼	+¼	86.4c	—	2.8
945p	585p	Inco	12¼	+⅛	80c	—	3.0
830p	585p	Inl. Nat. Gas $1	770xd	+10	80c	—	4.9
616p	410p	Massey Ferg. $	740p	−25	—	—	—
28⅞	21¼	Pacific Pet. $1	25¼	−1¼	91.6c	—	1.7
50p	28p	Place Gas $1	117p	−11	—	—	—
25	15	Rio Algom	22¼	−⅛	$1.08	—	2.3
24⅞	14¼	Royal Bk Can. $2	22¼	−⅛	$1.50	—	3.1
20¼	13¼	Seagram Co. C$1	18¼	−⅛	92c	—	2.3
14⅞	9⅞	Tor. Dom. Bk. $1	13½	−⅛	80c	—	0.0
12½	880p	Trans Can. Pipe	11¼	.....	103c	—	4.3

S.E. List Premium 44¾% (based on $2.2018 per £)

BANKS AND HIRE PURCHASE

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
184	184	ANZ $A1	290	−2	†Q18c	—	3.5	—
210	210	Alexanders D. £1	265	.....	14.55	—	8.2	—
£90½	£90½	Algemene Fl. 100	£130	.....	†Q75-f4	2.5	4.5	9.2
269	150	Allen Harvey £1	315	+5	h19.49	—	9.2	—
150	150	Allied Irish	216	+2	7.61	—	5.3	—
150	150	Arbuthnot L. £1	158	.....	10.23	—	9.7	—
£2½	£1¾	Bank Amer. $1.885	£2¼	.....	Q9¾c	—	2.5	—
325	315	Bk. Ireland £1	408	−2	25.29	—	5.6	—
£137	£137	Do. 10pc Conv.	£184xd	.....	Q10¾	—	5.4	—
15	15	Bk. Leumi IS1	15	.....	Q16¾	—	3.5	—
150	150	Bk Leumi (UK) £1	150	.....	7.47	1.5	7.4	13.4
280	280	Bk. N.S.W. $A2	280	.....	†Q30c	—	3.2	—
255	255	Bank Scotland £1	285	.....	11.05	3.6	5.8	7.3
£21⅞	£21⅞	Barclays N.Y. $10	£28¼	+⅛	Q53.90	—	5.4	—
296	296	Barclays £1	355	+5	†13.28	5.7	5.6	5.5
237	200	Brown Shipley £1	237	+2	9.41	—	5.9	—
252	252	Cater Ryder £1	278	+5	h17.17	—	9.2	—
67	67	Clive Dis'nt 20p	80	.....	4.85	—	9.4	—
171	171	Com'l Aus. (SA)	215	+1	Q16c	ϕ	4.7	ϕ
£17⅞	£17⅞	Com'zbk DM10	£17⅞	−⅛	Q18%	—	2.7	—
£15	£15	C'ltgn. Hbk. Kr100	£18½	.....	Q12%	—	6.3	—
18	18	Corinthian 10p	28	.....	0.71	7.3	3.8	4.8
£13¾	£13¾	Cred. France Fr5	£21	.....	Q9.67%	—	3.1	—
7	7	Dawes (G. R.)	18	.....	—	—	—	—
£199	£199	Deutsche Bank DM50	£115	−1	Q14%	—	2.0	—
85½	58	F. C. Finance	70	.....	2.03	2.6	4.5	13.4
34¼	34¼	First Nat. 10p	34¼	.....	—	—	—	—
3¼	3¼	Do. Wrnts. 75-83	¾	.....	—	—	—	—
10¼	10¼	Fraser Ans. 10p	10¼	.....	—	—	—	—
190	190	Gerrard Natnl.	190	.....	8.29	—	6.5	—
54	37	Gibbs (A.)	54	.....	2.23	—	6.2	—
227	195	Gillett Bros. £1	227	.....	15.41	—	10.1	—
29	19	Goode D'l Mry. 5p	24	.....	0.13	—	0.8	—
138xd	96	Grindlays	138xd	.....	2.79	7.1	3.0	4.9
258	185	Grimsby Pest.	258	.....	†10.15	—	5.9	—
192	155	Hambros	192	+4	9.76	—	7.6	—
99	80	Hill Samuel	99	.....	4.97	—	7.5	—
425	325	Do. Warrants	425	.....	—	—	—	—
357	203	Hong Sing $2.50	357	−7	hQ9%	—	2.1	—
62	52	Jessel Toynbee	62	.....	h3.32	—	8.0	—
215	160	Joseph (Leo) £1	200	.....	8.74	—	6.5	—
52	37	Keyser Ullmann	49	.....	0.67	—	2.0	—

BANKS & HP—Continued

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
74	56	King & Shaxs 20p	62	.....	3.44	—	8.3	—
114	90	Lloyds Bk. 25p	106	.....	4.18	—	5.9	—
297	242	Lloyds £1	266	+3	†9.23	4.8	6.2	6.0
54	42	Manson Fin. 20p	48xd	.....	g3.12	ϕ	9.7	ϕ
134	105	Mercury Sec's	128	.....	3.79	—	4.4	—
*930	530	Midland £1	560	+3	†14.97	4.3	6.2	5.6
£92	£78	Do. 7% Pf 83-88	£82½	−½	Q7.4%	21.1	19.3	—
£95¼	£92½	Do. 10¼% 88-98	£87¼	.....	Q10¼%	21.1	12.8	—
64½	56	Minster Assets	63	.....	3.60	2.5	8.9	7.2
235	172	Nat. Bk. Aust. $A1	226	−2	Q16½c	1.4	4.4	18.3
81	66	Nat. Cmn. Grp.	78	.....	†2.67	4.6	5.1	6.4
298	250	Nat. West. £1	280	+7	†11.66	4.2	6.2	5.8
445	350	Schroders £1	430	.....	11.72	—	4.1	—
255	190	Secombe M'C £1	220	.....	13.54	—	9.3	—
92	70	Smith St. Aub.	82	.....	5.09	—	9.3	—
452	378	Stand'd Chart £1	440	−6	19.64	3.4	6.7	5.6
59½	48¼	Trade Dev. $1.50	59½	.....	Q55c	3.2	5.8	5.5
356	290	Union Dis'nt £1	330	.....	h16.05	—	7.3	—
48	32	U.D.T.	44	.....	—	—	—	ϕ
£25⅞	£15¼	Wells Fargo $5	£24¼	.....	$1.40	—	3.3	—
72	60	Wintrust 20p	68xd	.....	3.08	—	6.8	—

Hire Purchase, etc.

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
39½	26¼	Cattle's (Eds) 10p	38xc	−½	hd1.86	2.0	7.3	10.2
£74	£35	Cie N'ere Fr. 100	£70	.....	Q12%	—	2.2	—
8	8	Credit Data 10p	8xd	.....	—	—	—	—
111	85	Lloyds & Scot. 20p	103	+1	†4.01	2.4	5.8	10.9
43	30	Ltd. Scot. Fin. 10p	41	.....	g1.9	3.0	6.

INDUSTRIALS—Continued

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
95	64	Initial Services	88		4.84	♦	7.9	♦
12¾	8	Inter-City 20p	11½	+½	0.67	2.7	7.9	7.2
52½	39	James (John)	52½xd		2.76	♦	7.9	♦
15	9½	Jump (R.) Ind. 30p	9½		d1.02	♦	10.4	♦
305	149	Jumbine M. 5p(NR)	273	−2	Q67c	2.2	2.9	15.9
32½	23½	Jestique	30½		†t2.03	1.2	9.9	13.0
12½	10	Johnson & Barnes	11½		—	—	—	—
112	78½	Johnson Clara	110		†3.95	4.0	5.4	5.1
480	315	Johnson Mthy. £1	470	−5	13.83	3.4	4.9	9.1
35	32	Jourdan (T.) 10p	45		2.98	2.7	9.7	4.9
33	28	Kalamazoo 10p	33		†1.98	1.8	8.9	9.4
118	88	Kelsey Inds.	105		3.28	6.6	4.7	4.9
47	23	Kennedy Sn. 10p	43	+1	†1.60	2.3	5.6	12.0
£10¼	900	Kershaw (A.) 5p	£10½		†16.14	2.0	2.3	26.6
77½	54	Kleen-E-Ze Hldgs.	67		d4.33	1.9	9.7	8.1
96	76	L.C.P. Hldg.	94		4.66	2.4	7.7	6.8
43	32	L.K. Ind'l. Invs.	37		d2.64	3.0	10.6	5.4
43	34½	L.R.T. Int. 10p	38xd	+½	2.23	♦	8.9	♦
88	57	Lawtex	67		2.08	4.8	6.6	4.7
164	128	Lead Inds. 50p	162		7.48	3.3	6.9	6.4
120	99	Leadhall Secs.	120		4.15	4.4	5.3	5.4
49	39	Le Bas (Ed.)	42		1.85	4.2	6.6	5.6
56	43½	Lehell Fobel 10p	47xd	−1	1.79	♦	5.7	♦
70	35	Lebus Harris	48		3.32	2.9	10.3	(3.9)
133	103	Leigh Inds. 5p	107	+1	†4.03	2.2	4.0	22.3
145	102	Leisure Car. 10p	145	+2	4.55	2.3	4.7	14.2
255	225	Lep Group 10p	252xd		3.46	♦	2.0	♦
91	57	Lesney Prods. 5p	87	−1	d2.94	3.7	5.1	6.2
118	98	Letraset 10p	138xd		5.4	♦	5.8	♦
21½	15	Lidco 10p	21		—	—	—	—
64	32	Lindustries	64	+1	3.05	3.7	7.1	4.7
151	128	Lindustries	146		9.14	2.1	9.3	6.2
34	24	Lon & Nthn. Grn.	33		2.03	2.6	9.2	6.4
41	33	Lost Hmbly. 10p	42		†1.60	5.8	5.7	3.7
71	53	Lonrho Trans.	71		5.86	♦	8.4	♦
92	68	Lonsdale Universal	87		†4.70	2.5	8.1	5.7
187	167	Low & Bonar 50p	187		11.05	2.5	8.8	5.3
76	64	M.Y. Dart. 10p	76	+1	†2.17	3.9	4.3	6.8
26	16	Macrose Ltd. 10p	26		2.03	0.8	11.6	(8.3)
106	86	Mc Corquodale 25p	103	−1	4.40	♦	6.4	♦
72	60	Macfarlane Gp.	72	+1	3.90	1.5	8.7	11.1
210	105	McBride Rbt. 10p	194		†h1.65	9.5	1.5	14.2
15	10	McCleery (J.)	14½		0.25	—	2.6	—
24	15	McLellan (P. & W.)	22		1.32	0.7	9.0	24.6
75½	55	Macpherson (D.)	73½	−2	†2.68	3.7	5.4	7.5
102	75	Magnolia Group	105		d2.74	6.5	3.9	6.0
250	190	Man. Nap Can. £1	250xd		15.40	1.3	9.7	11.7
30	17	Marling Ind. 10p	25½	−½	1.03	♦	5.3	♦
40	33	Marshall Cty. 'A'	47		†2.53	4.7	8.0	3.1
180	134	Marshall's Unis.	162		7.13	3.5	6.4	5.3
61	45	Martin-Black	61	+1	4.06	—	9.9	—
£18½	£16½	Matheson Tape	£18	+1	Q7½c	2.3	16.7	—
147	120	Maynards 25p	146		14.93	4.0	5.0	7.5
28	20	Medmaster 10p	24	+1	†1.85	1.5	11.5	8.7
17	10	Mentmore 5p	16xd		d0.99	1.3	8.7	13.8
376	288	Metal Box £1	376		15.10	3.1	6.0	6.0
109½	77	Metal Closures	107		4.27	2.9	6.0	8.9
77	38	Metlex	69		2.15	5.4	4.7	4.8
£132	£100	Mexicando Spc £2.5	£122		Q5%	19.8	(4.1)	—
11½	7	Monumental 10p	8		—	—	—	—
134	106	Morgan Crucible	131		5.36	2.8	6.1	8.8
55	34	Morrall (Abel)	47		2.46	3.4	7.8	8.0
36	29	Moss (Robt.) 10p	32		2.07	2.1	9.7	8.0
26	12	Movitex 10p	16	+1	—	—	—	—
73	55	Mason Gp. 10p	70	+2	1.02	0.9	2.2	(2.9)
130	62	Nash (J. F.) Secs.	122		5.26	2.5	6.4	7.7
54	46	Nathan (B. & I.)	54		3.95	2.7	9.3	6.0
54	32	Nat. Cft'ngs 10p	42	+1	1.35	—	4.8	—
£93	£58	N.C.R. 4% 98/03	£93		Q4%	12.9	14.3	—
91	72	Negretti & Zambra	88xd		3.68	1.5	6.5	13.1
133	65	Neill & Spencer 10p	133		†2.03	6.3	2.3	9.1
20½	11½	New Equip. 10p £	17xd		0.99	2.7	8.7	6.5
105	77	Norcros	100		4.49	2.8	6.7	6.8
28	17	Norvic Secs. 10p	19		12.23	—	—	—
27	22½	Nu-Swift 5p	27		1.59	1.3	8.2	12.9
£109	£91	Oce Finance Cv.	£109		Q9%	—	18.4	—
121	83	Office & Elect.	121	+1	4.14	3.7	5.1	8.0
106	82	Olive 25p	101		h3.07	3.5	4.5	6.6
27	19	Orentcose 12½p	23		Qbc	2.5	13.2	2.0
53	36	P & A. (Holdings)	53	+1	1.0	♦	—	♦
122	101	Parker Knoll 'A'	118		†3.29	6.5	4.2	5.6
113	100	Pauls & Whites	128		P6.60	3.4	5.2	7.4
68	55	Peerage 10p	63		†1.64	5.0	3.9	7.8
26	16	Pentland 10p	24½		0.67	5.1	4.1	5.5
120	90	Pentos 10p	100	+1	4.35	3.0	6.5	5.9
£157	£125	Do 12% Cv. La 88	£157	−1	Q15%	22.6	9.1	—
75	58	Petbrook 12½p	67	−1	4.58	1.4	10.2	8.9
21	14	Phillips Patents	20		B —	—	—	21.8
370	242	Pinchin Jfe 50p	370	+5	†4.02	7.0	1.6	10.4
637	422	Pilkington Br. £1	634	+4	11.69	4.8	2.8	11.5
67	56	Pitry Bowes La.	67		Q5½%	8.8	7.7	—
43	30	Plastic Const. 10p	37½		†h0.21	2.4	8.4	7.4
58½	45	Polymark 10p	55		2.76	2.5	7.7	7.7
242	206	Portals	240		8.00	3.9	5.0	10.3
216	149	Powell Duff 50p	209	−1	10.15	3.1	7.2	5.1
30½	17	Press (Wm.) 5p	27		0.85	4.6	4.7	7.0
154	154	Preston Group	167		5.66	3.2	5.3	6.7
43	23	Pritchard Svs. 5p	42½	−½	1.51	3.4	5.3	6.9
11½	7½	Prov. Lands 5p	10		0.42	—	5.0	—
For Pullman R. & J. see Stores								
78	48	R.H.D. Group 10p	73		1.6	♦	3.3	♦
21½	11	RTD Group 20p	16½	+1	—	—	—	2.4
40	25	Racal Ind. 12½p	39		1.93	3.9	7.7	5.7
83	60	Randalls	71	+1	d1.47	—	3.1	—
284	226	Rank Organ.	282xd	+4	16.08	3.6	4.3	7.2
322	292	Reckitt Col. 50p	312	−3	10.77	3.6	3.1	(6.9)
327	262	Redfearn Glass	290		P16.08	5.8	8.3	5.5
78	42	Reed Exec. 5p	72		2.79	2.6	5.8	10.0
164	102	Reed Intl. £1	150		18.12	2.7	8.1	6.9
85	68	Relyon PBWS	83		4.16	2.9	7.5	9.0
900	145	Renown Inc. Ysh.	300		Q20%	—	0.5	—
48	35	Renwick Group	48	+1	1.02	3.6	3.2	4.0
190	114	Restmor	177	−4	5.41	♦	4.7	♦
68	56	Resumer	67		d4.31	1.6	9.6	(6.5)
110	107	Ricardo	294	+4	17.0	5.0	3.8	9.0
41	25	Riley (B.J.) 10p	41		b2.58	—	—	—
146	101	Rockware	145	+1	5.34	4.5	5.5	4.3
48	36	Rogner Hldgs.	41	−½	2.16	3.4	7.9	5.6
47½	32	Do. 'A'	41	−½	2.16	3.4	7.9	5.6
52	40	Rotaprint 20p	43		2.99	1.4	10.3	(9.6)
31½	25	Rowan & Boden	31		1.34	5.6	6.4	3.0
170	104	Royal Worcs.	157	−2	†6.49	0.8	5.9	12.5
68	45	Russell (A.) 10p	66		2.27	♦	5.2	♦
17	8½	Ryan (L.) 5p	15½		—	—	—	—
160	115	Sagis Boinders	160	+3	16.05	2.2	6.2	11.6
£27¾	£15½	St. Gobain Pfd. 100	£27½		Q16%	1.9	6.8	12.8
290	190	Sale Tilney	290		10.40	3.9	5.2	8.2
36	19	Sandhurst Market	36	+1	†0.86	3.0	1.6	13.8
84	75	Sangers Grp.	82		5.89	1.7	10.7	8.5
114	86	Scapa Group	105		5.52	2.7	7.9	6.2
£73¾	£43	Schlumberger $1	£58	+½	Q1.40	♦	1.0	♦
91	65	Scotcros	80		3.29	2.5	6.1	9.9
47	33	Scot. Heritable	43	+1	h0.92	6.1	5.2	5.5
128	85	Scot. & Un. Invs.	127	+2	7.37	1.8	8.7	8.0
44½	27½	Seery Hldgs.	41		h1.31	2.4	4.8	13.5
135	56	Securicor Gp.	133		†2.54	3.1	2.9	14.7
130	62	Do 'A' N.V.	133		†2.54	3.1	2.9	14.7
54	46	Security Services	53		3.35	2.7	9.3	6.0
135	87	Do 'A' N.V.	134		4.55	4.2	4.0	8.5
72	69	Sharpe Ware 20p	117		d2.44	7.7	3.1	12.1
310	155	Sedgwick Group	207	−1	5.67	4.0	4.7	7.8
70	44½	Silentnight 10p	68	−1	h2.71	5.1	4.6	4.7
45	40	Silhouette A' 25p	45		3.32	1.8	11.0	6.8
31	17	Silvertone Hldgs.	19		d1.22	2.6	9.6	6.0
33	70	Simpson (S.) 'A'	115		3.87	3.7	4.2	8.4
£136	£91	Sinclair	125½	−½	15.49	2.6	5.5	9.8
78	57½	Smith & Nephew 10p	76xd	+½	†d2.47	2.1	4.8	7.9
135	98	Smiths Ind. 50p	192	+1	†7.36	2.8	5.2	5.8
64	48	Solic Lee 20p	61		3.92	1.0	9.6	14.5
34½	29	Sotex	29		2.36	♦	11.7	♦
203	175	Sotheby PB	278		h8.37	4.4	4.6	11.8
103	81	Spelthorne 10p	100		2.18	4.5	3.5	5.2
48	195	Spencer (W.)	218		1.00	16.0	1.3	6.6
56	12	Spirax Sarco	140	−1	†2.60	4.5	3.7	6.7
340	£270	Do 9% Cv. Ln. 88	£290		Q9%	32.0	13.4	—
11	6	Staffs. Ind.	8		0.34	4.9	—	7.6
75	58	Stag Furniture	67	−1	4.58	1.4	10.2	8.9
21	14	Phillips Patents	20		B —	—	—	21.8
370	242	Pinchin Jfe 50p	370	+5	†4.02	7.0	1.6	10.4
637	422	Pilkington Br. £1	634	+4	11.69	4.8	2.8	11.5
67	56	Pitry Bowes La.	67		Q5½%	8.8	7.7	—
43	30	Plastic Const. 10p	37½		†h0.21	2.4	8.4	7.4
58½	45	Polymark 10p	55		2.76	2.5	7.7	7.7
242	206	Portals	240		8.00	3.9	5.0	10.3
216	149	Powell Duff 50p	209	−1	10.15	3.1	7.2	5.1
30½	17	Press (Wm.) 5p	27		0.85	4.6	4.7	7.0
154	154	Preston Group	167		5.66	3.2	5.3	6.7
43	23	Pritchard Svs. 5p	42½	−½	1.51	3.4	5.3	6.9
11½	7½	Prov. Lands 5p	10		0.42	—	5.0	—
For Pullman R. & J. see Stores								
78	48	R.H.D. Group 10p	73		1.6	♦	3.3	♦
21½	11	RTD Group 20p	16½	+1	—	—	—	2.4
40	25	Racal Ind. 12½p	39		1.93	3.9	7.7	5.7
83	60	Randalls	71	+1	d1.47	—	3.1	—
284	226	Rank Organ.	282xd	+4	16.08	3.6	4.3	7.2
322	292	Reckitt Col. 50p	312	−3	10.77	3.6	3.1	(6.9)
327	262	Redfearn Glass	290		P16.08	5.8	8.3	5.5
78	42	Reed Exec. 5p	72		2.79	2.6	5.8	10.0
164	102	Reed Intl. £1	150		18.12	2.7	8.1	6.9
85	68	Relyon PBWS	83		4.16	2.9	7.5	9.0
900	145	Renown Inc. Ysh.	300		Q20%	—	0.5	—
48	35	Renwick Group	48	+1	1.02	3.6	3.2	4.0
190	114	Restmor	177	−4	5.41	♦	4.7	♦
68	56	Resumer	67		d4.31	1.6	9.6	(6.5)
110	107	Ricardo	294	+4	17.0	5.0	3.8	9.0
41	25	Riley (B.J.) 10p	41		b2.58	—	—	—
146	101	Rockware	145	+1	5.34	4.5	5.5	4.3
48	36	Rogner Hldgs.	41	−½	2.16	3.4	7.9	5.6
47½	32	Do. 'A'	41	−½	2.16	3.4	7.9	5.6
52	40	Rotaprint 20p	43		2.99	1.4	10.3	(9.6)
31½	25	Rowan & Boden	31		1.34	5.6	6.4	3.0
170	104	Royal Worcs.	157	−2	†6.49	0.8	5.9	12.5
68	45	Russell (A.) 10p	66		2.27	♦	5.2	♦
17	8½	Ryan (L.) 5p	15½		—	—	—	—
160	115	Sagis Boinders	160	+3	16.05	2.2	6.2	11.6
£27¾	£15½	St. Gobain Pfd. 100	£27½		Q16%	1.9	6.8	12.8
290	190	Sale Tilney	290		10.40	3.9	5.2	8.2
36	19	Sandhurst Market	36	+1	†0.86	3.0	1.6	13.8
84	75	Sangers Grp.	82		5.89	1.7	10.7	8.5
114	86	Scapa Group	105		5.52	2.7	7.9	6.2
£73¾	£43	Schlumberger $1	£58	+½	Q1.40	♦	1.0	♦
91	65	Scotcros	80		3.29	2.5	6.1	9.9
47	33	Scot. Heritable	43	+1	h0.92	6.1	5.2	5.5
128	85	Scot. & Un. Invs.	127	+2	7.37	1.8	8.7	8.0
44½	27½	Seery Hldgs.	41		h1.31	2.4	4.8	13.5
135	56	Securicor Gp.	133		†2.54	3.1	2.9	14.7
130	62	Do 'A' N.V.	133		†2.54	3.1	2.9	14.7
54	46	Security Services	53		3.35	2.7	9.3	6.0
135	87	Do 'A' N.V.	134		4.55	4.2	4.0	8.5
72	69	Sharpe Ware 20p	117		d2.44	7.7	3.1	12.1
310	155	Sedgwick Group	207	−1	5.67	4.0	4.7	7.8
70	44½	Silentnight 10p	68	−1	h2.71	5.1	4.6	4.7
45	40	Silhouette A' 25p	45		3.32	1.8	11.0	6.8
31	17	Silvertone Hldgs.	19		d1.22	2.6	9.6	6.0
33	70	Simpson (S.) 'A'	115		3.87	3.7	4.2	8.4
£136	£91	Sinclair	125½	−½	15.49	2.6	5.5	9.8
78	57½	Smith & Nephew 10p	76xd	+½	†d2.47	2.1	4.8	7.9
135	98	Smiths Ind. 50p	192	+1	†7.36	2.8	5.2	5.8
64	48	Solic Lee 20p	61		3.92	1.0	9.6	14.5
34½	29	Sotex	29		2.36	♦	11.7	♦
203	175	Sotheby PB	278		h8.37	4.4	4.6	11.8
103	81	Spelthorne 10p	100		2.18	4.5	3.5	5.2
48	195	Spencer (W.)	218		1.00	16.0	1.3	6.6
56	12	Spirax Sarco	140	−1	†2.60	4.5	3.7	6.7
340	£270	Do 9% Cv. Ln. 88	£290		Q9%	32.0	13.4	—
11	6	Staffs. Ind.	8		0.34	4.9	—	7.6
75	58	Stag Furniture	67	−1	4.58	1.4	10.2	8.9
21	14	Phillips Patents	20		B —	—	—	21.8
370	242	Pinchin Jfe 50p	370	+5	†4.02	7.0	1.6	10.4
637	422	Pilkington Br. £1	634	+4	11.69	4.8	2.8	11.5
67	56	Pitry Bowes La.	67		Q5½%	8.8	7.7	—
43	30	Plastic Const. 10p	37½		†h0.21	2.4	8.4	7.4
58½	45	Polymark 10p	55		2.76	2.5	7.7	7.7
242	206	Portals	240		8.00	3.9	5.0	10.3
216	149	Powell Duff 50p	209	−1	10.15	3.1	7.2	5.1
30½	17	Press (Wm.) 5p	27		0.85	4.6	4.7	7.0
154	154	Preston Group	167		5.66	3.2	5.3	6.7
43	23	Pritchard Svs. 5p	42½	−½	1.51	3.4	5.3	6.9
11½	7½	Prov. Lands 5p	10		0.42	—	5.0	—

INSURANCE—Continued

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
173	137	Prudential 5p	163	−2	6.75	—	4.2	—
154	125	Refuge 5p	150		8.22	—	8.2	—
425	343	Royal	400		†16.7	—	6.4	—
475	310	Sedg Forbes 10p	468	+3	†9.74	3.3	3.1	14.9
110	94	Stenhouse	108	+1	†4.11	2.7	5.7	8.3
606	504	Sun Alliance £1	584	−4	20.46	—	5.2	—
117	91	Sun Life 5p	110	−1	†3.47	—	4.7	—
£10	679	Taisho Mar. EDR	905	−4	g010%	—	0.6	—
180	155	Trade Indemnity	180		8.60	—	7.1	—
£21½	£17½	Travelers $1.60	£29½		Q$1.68	—	2.9	—
303	247	Willis Faber	275	+2	9.14	2.4	5.0	12.5

LEISURE

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
88	—	Anglia TV 'A'	88		†4.24	3.1	7.2	6.7
66½	−½	Assoc Leisure 5p	66½	−½	3.07	2.7	6.9	6.5
131	−1	Barr & W.A.T. 'A'	131	−1	d3.78	6.6	4.2	4.5
114	—	Black Edgth. 50p	114		4.47	1.9	5.9	13.9
177	—	Bower & Hawkes	177		5.16	4.6	4.3	7.2
125	—	Campari 20p	125		†1.86	8.3	—	5.6
116	—	Do. 'B'	116		—	—	—	—
107	−1	Coral Leis 10p	107	−1	6.09	2.8	5.4	6.3
61	—	Group Photo 10p	61		2.84	♦	6.9	♦
38	—	Grampian 'A' 10p	38		2.23	2.7	8.8	6.5
65	—	Green Group 10p	65		Q4.29	2.5	6.5	9.3
132	+2	HTV Non Vtg.	132		†6.70	2.5	7.5	8.1
35	—	Highgate Dyt. 10p	35		†d1.07	1.2	—	12.2
107	—	Hornes 5p	107		M5.73	3.4	4.5	10.9
31	—	Hwrd Wy'd 20p	31		†0.34	—	1.6	11.8
152	+1	LWTA	152	+1	†6.28	2.5	6.2	9.6
88	−2	Mount Agr. M. 10p	88	−2	†5.69	2.8	5.9	5.6
10	—	Nationwide Leis.	10		0.38	2.9	5.6	9.1
205xd	−3	Norton & Wrt. 10p	205xd	−3	4.25	♦	3.1	♦
36	—	Photos (Lon.)	36		d2.76	—	11.4	—
62xd	—	Pleasurama 5p	62xd		2.05	5.1	5.0	6.0
46½	−1	Redif. TV Pref. £1	46½		6.13	29.3	13.4	—
65	—	Scott. TV 'A' 10p	65		2.40	6.0	5.4	6.0
58	+½	Trid'nt TV 'A' 10p	58	+½	†2.87	2.9	7.3	7.1
66	—	Ulster TV 'A'	66		†3.99	2.6	9.0	6.5
17xd	—	Welsh Cst. 5p	17xd		†0.54	♦	4.1	♦
29	—	Westward TV 10p	29		†1.68	1.9	8.5	9.2
53	—	Zetters 5p	53		1.18	4.8	3.3	9.6

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
124xc	+1	B.R.P. (Hldgs.)	124xc	+1	2.46	13.1	3.0	2.6
61	−1	Fodens (50p)	61	−1	3.40	♦	8.3	♦
8½	—	Peak Invests. 10p	8½		±0.5	2.4	±	5.0
95	—	Plasmors	95		†h3.96	3.3	6.4	9.8
55xd	−1	York Trailer 10p	55xd	−1	†d2.17	5.5	5.9	4.7

Commercial Vehicles

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
124xc	+1	B.R.P. (Hldgs.)	124xc	+1	2.46	13.1	3.0	2.6
61	−1	Fodens (50p)	61	−1	3.40	♦	8.3	♦
8½	—	Peak Invests. 10p	8½		±0.5	2.4	±	5.0
95	—	Plasmors	95		†h3.96	3.3	6.4	9.8
55xd	−1	York Trailer 10p	55xd	−1	†d2.17	5.5	5.9	4.7

Components

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
58	—	Abbey Panels	58		d2.48	3.8	7.4	5.4
47	—	Autflow Stream	47		h2.46	4.3	7.9	3.7
64	—	Armstrong Eq. 10p	64		†2.07	3.8	4.8	8.3
126	+½	Assoc. Ind.	126	+½	5.29	4.0	5.1	6.1
81xd	—	Automotive	81xd		†1.36	2.5	2.9	6.9
72	—	Blueseal Bros.	72		3.75	2.6	7.7	6.7
26½	+½	Brown Bros. 10p	26½	+½	†1.08	1.8	6.1	15.2
22½	+½	Dana Corp $1	£22½	+½	Q12½c	3.7	2.6	10.2
270	+4	Dowty 10p	270	+4	4.50	4.0	2.5	14.9
77	—	Dunlop 50p	77		5.38	2.3	7.0	11.0
196	—	Flight Refuelling	196		2.89	4.4	2.2	15.4
31	—	Evans Health 10p	31		0.25	1.0	3.8	14.4
55	—	Bell-Pit Hldgs. 10p	55		h0.94	3.5	2.3	14.4
332	+2	Lucas Inds. £1	332	+2	†8.34	4.3	3.0	9.4
54	—	Sirpet Group 10p	54		†1.60	4.8	4.5	5.0
72	−½	Wilmot Breeden	72	−½	3.13	3.3	6.5	(5.5)
61	—	Woodhead (J.)	61		3.86	4.9	5.9	5.2
104	+5	Zenith A' 50p	104	+5	4.47	2.4	6.4	9.6

Garages and Distributors

1978 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's	P/E
95	63	Adams Gibbon	77xd		4.42	3.0	8.6	5.8
18¾	—	Alexander 5p	18¾		—	—	—	22.9
98	−1	Barr & W.A.T. 'A'	131	−1	d3.78	6.6	4.2	4.5
114	—	Black Edgth. 50p	114		4.47	1.9	5.9	13.9
177	—	Bower & Hawkes	177		5.16	4.6	4.3	7.2
125	—	Campari 20p	125		†1.86	8.3	—	5.6
116	—	Do. 'B'	116		—	—	—	—
107	−1	Coral Leis 10p	107	−1	6.09	2.8	5.4	6.3
61	—	Group Photo 10p	61		2.84	♦	6.9	♦
38	—	Grampian 'A' 10p	38		2.23	2.7	8.8	6.5
65	—	Green Group 10p	65		Q4.29	2.5	6.5	9.3
132	+2	HTV Non Vtg.	132	+2	†6.70	2.5	7.5	8.1
35	—	Highgate Dyt

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FINANCIAL TIMES

Saturday August 26 1978

HO PEPE
The Spanish name for
SHERRY

MAN OF THE WEEK

A quick U turn for VW

BY GUY HAWTIN

HERR Toni Schmuecker, the man who has presided over Volkswagen's remarkable turnaround, is a passionate mountaineer. This may well go a long way to explaining why he accepted the job as chief executive in the first place.

He took over control of the largest West German motor manufacturer in the depths of its winter of discontent. It was early in 1975. Herr Rudolf Leiding, its former chief executive, had resigned after a protracted Boardroom row over the ailing motor group's future strategy and its supervisory Board chairman had departed only a few months earlier also in unhappy circumstances.

Shortly after his assumption of power it was his duty to inform his shareholders that 1974 had

Toni Schmuecker
Relishes a challenge

been a disastrous year with losses of DM807m. Nor did he endear himself to the labour force when he announced a series of swinging cut-backs including proposals to declare some 25,000 workers redundant, even though the terms of their departure were generous, even by German standards.

Today—only three and a half years later—Herr Schmuecker is the golden boy of German industry and the stock market's darling. Anybody who had the foresight to buy the group's DM50 nominal shares in 1974 when they were trading at around DM74 must be well satisfied with today's price of about DM260.

Under Herr Schmuecker's leadership Volkswagen has enjoyed two extraordinarily good years and now seems set for a third. In 1976 the DM1bn losses of the previous two years were more than wiped out, while in 1977 the company's net profit amounted to DM419m. This week, VW jubilantly announced that first half net profits of DM265m were more than a third up on those of the opening six months of 1977 and that shareholders could look forward to a sizeable increase for the full year.

Success, of course, always breeds envy and there are those who enthusiastically point out that when Schmuecker took over the group the seeds of recovery were already evident. Volkswagen, they claim, had already got over the traumatic decline of the "Beetle" model—the economic miracle on wheels, so as to speak—and had already introduced its success story of the 1970s—the Golf.

Team man

While this may be true, it did not look that way at the time. In early 1975 the motor industry appeared to be in the depths of long-lasting recession. Volkswagen's deliveries the previous year had fallen by ten per cent and during 1975 were to drop even further. Even in 1977 they were still a full 77,000 units under the vintage 1971 figures.

Herr Schmuecker's triumph is that he transformed a demoralised management team into one of the best in German industry. In face of considerable opposition

Undoubtedly, Herr Schmuecker, the classical team man, would be the last to claim the sole credit for VW's success. But in sport and career alike, he obviously relishes a challenge. He brought to the group an irrisistible mixture of American-German management expertise accumulated during more than 20 years with Ford of Germany where he was a senior executive board member. He also built up a considerable knowledge of handling troubled companies during his seven years as chief executive of Rheinstahl, the steel, engineering and shipbuilding group, which he piloted through its merger with Thyssen.

Herr Schmuecker, 57 years old and married with two children, is now preparing to guide the company in new directions.

For Volkswagen, which only one and a half years ago was gloomily contemplating accumulated losses of DM1bn, has so much cash in hand it is contemplating a major acquisition. It plans to acquire a stabilising "second leg" to offset the problems caused by the traditionally cyclical pattern of consumer demand in the motor industry.

U.S. confirms plan to draw on IMF

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, August 25.

A SENIOR U.S. Treasury official confirmed today that major foreign currency drawings by the U.S. from the International Monetary Fund are "under consideration."

Answering questions at a Congressional hearing, Mr. C. Fred Bergsten, Assistant Secretary for International Affairs, said that no policy decision to go ahead with a drawing had been taken.

But he also pointed to the possible use by the U.S. of its $3.1bn (£1.6bn) holding of the IMF's Special Drawing Rights to buy Deutsch Marks or other foreign currencies.

He disclosed that the agreement reached with West Germany in March under which the U.S. undertook to sell $750m worth of SDRs for the German currency had not been put into effect because it had proved unnecessary.

By confirming possible recourse to the IMF and by drawing public attention to sales of SDRs, Mr. Bergsten was clearly seeking to leave the impression that the U.S. is prepared to use a wide range of policies in pursuit of *stability in the foreign* exchange markets.

He lent further credence to the possibility of going to the Fund for unconditional borrowing by agreeing that any such operation would probably so deplete the IMF's hard currency pool as to require activation of the General Arrangement to Borrow (GAB).

Earlier, Mr. Bergsten had been sceptical about the value of another policy option to defend the dollar—that of allowing payment to be made in D-Marks at the monthly U.S. Treasury gold auctions.

In April, the U.S. and West technical aspects of such an operation, but Tuesday's announcement of expanded gold sales made the point that, for the foreseeable future, the rules of the auctions—i.e. payment in dollars—would remain unchanged.

In another development on the currency front, Treasury officials confirmed this morning that Mr. Michael Blumenthal, the Treasury Secretary, and Mr. Anthony Solomon, his deputy dealing with monetary affairs, had secretly conferred last weekend in Florida with Sheik Mohammed Abalkhail, the Saudi Finance Minister.

Confidence

The briefing, at the Saudi's request, was instrumental, the U.S. believes, in the subsequent assertions of confidence in the dollar given in a newspaper *interview with Saudi Crown* Prince Fahd, published on Wednesday.

Prince Fahd said that Saudi oil would continue to be priced in dollars, not a basket of currencies, and promised further moderation on the pricing front.

Less comforting to the Administration, however, is the spectre of last weekend's Congressional bargain over natural gas pricing, a key part of the Energy Bill, falling apart, a strange coalition of Left and Right formed yesterday on Capitol Hill with the announced intention of defeating the natural gas Bill.

Peter Riddell, Economics Correspondent, writes:

The dollar advanced against most other currencies yesterday following yesterday's report that the U.S. administration was considering making an IMF drawing.

Rates fell back slightly later in quiet trading which continued the uneven pattern of the week in which the dollar has made small net gains after a series of short-lived rallies.

The *dollar* rose to a peak of DM 2.0190 yesterday before closing at DM 2.0090, compared with DM 2.0010 previously and DM 1.9910 a week ago.

The fluctuations in the dollar have been smaller this week than earlier in the month as dealers have been nervous about taking positions either against or in favour of the dollar in the face of the series of U.S. intiatives aimed at stabilising the currency.

The gold price has, however, shown large changes after the announcement of the increase in the amount offered at the U.S. monthly auctions. After a fall of $2¼ yesterday to $198¾, the price of an ounce in London ended $12 down on the week.

Sterling closed slightly lower on the week at $1.9270, compared with $1.9430. The trade-weighted index slipped by 0.1 during the week to 62.2.

Government to take some North Sea royalties in oil

BY KEVIN DONE, ENERGY CORRESPONDENT

THE GOVERNMENT has surprised the oil industry by deciding to take some royalty payments from North Sea fields in crude oil rather than cash.

The State takes a royalty of 12½ per cent on all crude produced offshore. So far it has taken this payment in money rather than in oil.

But the Department of Energy announced yesterday that it is opening discussions with a number of the companies operating in the North Sea with a view to taking royalties in crude oil in the second half of next year.

The move will not apply to all fields, and, in the first six months at least, the Government will be taking only part of its payments in kind, an average of about 25 per cent of all the royalties due.

North Sea oil production is expected to reach between 80m and 95m tonnes next year.

But the Energy Department said it expected to take only about 1.5m tonnes of oil in royalty payments in the second half of 1979, the rest coming in cash. It would be open to it to take as much as 5m to 6m tonnes over the six months.

Transactions

The oil will be marketed by the British National Oil Corporation, although no arrangements have yet been worked out to cover these transactions. It is possible that BNOC could have to buy the oil from the State, or it could simply act as the Government's agent, perhaps taking a fee for its services.

Certainly the royalty oil will add to BNOC's growing role as a crude oil trader. By the end of this year the State oil corporation could be disposing of as much as 175,000 barrels of oil a day, made up of equity, participation and purchased crude.

This will grow substantially next year and will be added to in the second half by about 60,000 barrels a day of royalty crude.

In the 1980s BNOC could be handling 800,000 to 1m barrels a day of crude from the North Sea, which would give it control of 7 to 10 per cent of the world's total output of premium low-sulphur crude—oil that is sought after for making light products such as petrol and chemical feedstocks.

The Department refused to disclose yesterday the fields from which it will be seeking royalty payments in oil. But it is understood that they will include the bigger discoveries such as BP's Forties Field, Occidental's Piper and Claymore Fields and Mobil's Beryl Field.

The Government must give at least six months' warning when it wishes to take royalties in oil, and companies can appeal against the decision to Mr. Anthony Wedgwood Benn, the Energy Secretary.

He must take into account how far the new arrangement would disturb companies' existing supply operations.

Uranium mining pact agreed

BY LAURIE OAKES IN CANBERRA AND KENNETH MARSTON IN LONDON

WORK CAN start soon on the Ranger uranium project in Australia's Northern Territory after an agreement on royalty terms and conditions reached yesterday between the Government and Aboriginal representatives.

The agreement marks an important break-through in Australia's progress towards becoming possibly the world's *leading supplier of uranium.*

After the long delays because of environmental and political considerations, the question of royalties has appeared to be the last major hurdle to the start of extraction of the big uranium deposits which have been discovered in the Northern Territory.

For Ranger, the agreement opens the possibility of mine construction being started before work is halted by the wet season which is due in November. For the rest of the field, otably Pancontinental's Jabiluka, a settlement on the basis of 4½ per cent royalty payments to the Aboriginals—which is understood to be the case for Ranger—would probably be readily accepted.

Details of the Ranger agreement have not been announced,

but the Northern Land Council—a statutory body representing Aboriginals—is known to have accepted a Government offer of 4½ per cent royalty payments with a lump sum payment of A$1.3m (£774,000) plus $200,000 a year during the construction phase.

Mr. Douglas Anthony, Minister for Trade and Resources, and Mr. Galarrwuy Yunupingu, chairman of the Northern Land Council, said in a joint statement yesterday that there had been agreement on the terms and conditions under which the Ranger consortium "may enter and carry out mining on the land containing the Ranger uranium deposits."

They said details would be made public when documents giving effect to the agreement had been signed.

Construction work on the site is now expected to start on September 11, when the final agreement is signed by the council and the Ranger consortium's partners, Peko-EZ Industries and the Government.

Government sources say full-scale mining should be under way within 2½ years. When mining is in full swing the royalty agreement will be worth about A$10m a year to the 22 Aboriginal communities which make up the Northern Land Council.

The agreement follows five months of negotiations. In May the council hired a New York lawyer, Mr. Stephen Zorn, to head its negotiating team.

The Government originally offered royalties of 3¾ per cent. It raised the offer to avoid the need for the issue to go to arbitration—a step which would have delayed a start on the Ranger development.

Continued from Page 1

A-plant staff checks

health and safety of our members," he commented.

Last week, 12 workers at Aldermaston were found to have twice the permitted level of plutonium in their bodies than that recommended *by international safety* recommendations. This disclosure, brought about by a new monitoring system being installed at Aldermaston, was followed by the closure of a special laundry, where three of the 12 people worked and a research block where the nine other workers affected worked. These closures affected about 50 people.

The new closures will affect several hundred employees at the plant who have all been redeployed in other "non-active" areas. Checks for plutonium contamination, using whole body monitoring, have been stepped up."

The Institution of Professional Civil Servants, which represents 1,000 white-collar workers at British Nuclear Fuels' Windscale plant yesterday threatened court action to implement a special "hostility" payment which was awarded to workers there.

The Government has decided against paying the 5p an hour allowance already given to manual workers to compensate for the "intense hostility" of the public and media to operations at the Cumbria plant. Mr. Anthony Wedgwood Benn, Energy Secretary, said the allowance could only be paid when it came within pay policy settlements.

Continued from Page 1

Air chaos

their traditional return from holiday.

Charter companies operating between France and Spain have laid on extra coach services and extra trains will be running in France over the holiday weekend.

In Britain, the British Airports Authority said that delays had started to build-up last night and there was every prospect that they would continue to do so over the weekend.

● The Spanish Government has issued an official protest to the British Government over the Department of Trade's decision to move Iberia, the Spanish airline, from Heathrow to Gatwick.

American postal workers reject pay deal

BY JOHN WYLES

NEW YORK, August 25.

THE CARTER Administration was faced today with its second major industrial relations crisis of the year when the U.S. postal service's biggest union flatly rejected a proposed three-year pay settlement.

Members of the American Postal Workers' Union voted by about 98,000 to 78,000 against the contract negotiated and recommended for acceptance by their union leaders according to a preliminary ballot result.

This means the U.S. postal service's two largest unions have now turned down the proposals. The leaders of both bodies are mandated to call an illegal national strike unless negotiations are resumed early next week.

Underlining the seriousness of the situation, Mr. Wayne Harvitz, the Federal Mediation and Conciliation Service director, has scheduled meetings between the two sides.

The postal service is adamant that the dispute should now go to binding arbitration as required under the law establishing it as an independent agency in 1970. It is not clear whether union leaders will *ignore their mandates* and accept this or whether they will call a strike and thus invite the U.S. postal service to seek a court order forcing them to resume normal working.

Call in army

Many rank and file workers may, however, ignore these national developments and walk out of their jobs next week. In this event, the postal service is expected to call on the Pentagon for the employment of available military personnel to deliver the mail.

The potential disruption is only one aspect of the problem for the Carter Administration, which will be anxious to prevent a repetition of the blow delivered to its anti-inflation policy by the miners' settlement in the spring.

The proposed postal settlement would give 19.5 per cent increases in pay and benefits over three years.

Should the postal service be forced to increase the settlement through arbitration or negotiation, the cause of pay restraint will be further damaged while the postal service may have difficulty pegging mail charges for the next two and a half years as it promised to do when the recent settlement was announced.

Weather

UK TO-DAY

DRY, sunny intervals.

London, South, Cent. Southern, S.W. and Cent. Northern *England, Midlands, Channels Is.,* Wales
Dry, bright or sunny periods. Max. 19-20C (67F).

E. Anglia, E. and N.E. England
Sunny intervals, cool. Max: 17C (63F).

North Wales, N.W. England, Lake Dist., Isle of Man, S.W. Scotland, Glasgow, Cent. Highlands
Dry, bright or sunny periods. Max. 17C (63F).

Borders, Edinburgh, Dundee and Aberdeen Areas, Moray Firth
Sunny intervals, cool. Max. 14C (57F).

N.E. Scotland, Orkney, Shetland
Cloudy, occasional showers. Max. 10C (50F).

Argyll, N.W. Scotland, Ireland
Mainly dry, bright intervals. Max. 17C (63F).

Outlook: Dry with sunny periods. Temperatures near normal.

BUSINESS CENTRES

		Y'day midday °C	°F			Y'day midday °C	°F
Amstrdm.	C	15	64	Manchstr.	F	17	63
Athens	S	31	88	Melbourne	C	14	57
Belfast	S	16	61	Mexico C.	S	20	67
Belgrade	C	23	77	Milan	S	27	81
Berlin	C	19	66	Montreal	C	17	63
Birmghm.	C	18	64	Moscow	C	18	64
Bristol	C	17	63	Munich	C	19	66
Budapest	F	24	75	Newcastle	F	16	61
B. Aires	S	13	55	New York	C	16	61
Cairo	S	32	90	Oslo	C	11	52
Cardiff	F	19	66	Paris	S	20	68
Chicago	C	20	68	Perth	S	14	57
Cologne	C	17	63	Prague	F	21	70
Copnhagn.	F	17	63	Reykjavik	C	11	52
Dublin	F	18	64	Rio de J'o	C	19	66
Edinburgh	F	17	63	Rome	F	28	82
Frankfurt	C	18	64	Singapore	S	30	86
Geneva	S	22	72	Stockholm	R	13	55
Glasgow	C	17	63	Strasbrg.	S	23	73
Helsinki	C	14	57	Sydney	S	15	59
H. Kong	S	32	90	Tehran	S	32	90
Jersey	S	21	70	Tokyo	S	27	81
Lisbon	S	23	81	Toronto	C	16	61
London	C	19	66	Vienna	F	26	79
Luxmbg.	F	18	64	Warsaw	C	18	64
Madrid	S	31	88	Zurich	S	22	72

HOLIDAY RESORTS

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	F	26	79	Jersey	S	19	66
Algiers	S	28	82	Las Plms.	S	24	75
Biarritz	F	23	73	Locarno	F	25	77
Blackpool	F	16	61	Majorca	S	29	84
Bordeaux	S	27	81	Malaga	S	30	86
Boulogne	F	17	63	Malta	S	27	81
Cape Tn.	S	26	79	Nairobi	R	21	70
Corfu	S	29	84	Naples	Th	28	82
Dubrovnik	S	29	84	Nice	S	27	81
Faro	S	31	88	Nicosia	S	29	84
Florence	F	31	88	Oporto	S	26	79
Funchal	C	22	72	Rhodes	S	27	81
Gibraltar	S	27	81	Salzburg	F	22	72
Guernsey	S	17	63	Tangier	S	32	90
Innsbruck	F	23	73	Tenerife	S	24	75
Inverness	C	15	59	Tunis	C	27	81
I. of Man	F	15	59	Valencia	F	27	81
Istanbul	F	26	79	Venice	S	25	77

S—Sunny. F—Fair. C—Cloudy. R—Rain. Th—Thunderstorm.

THE LEX COLUMN

The stock market as swingometer

Yesterday's glowing remarks by the Chancellor of the Exchequer in Edinburgh bore all the *hallmarks of* a pre-election campaign speech. Talk of a five per cent rise in living standards and a halving of the inflation rate over the past year rekindled memories of the Macmillan era when "we had never had it so good." Certainly, the recent economic indicators are all pointing to a pre-election consumer-led boom.

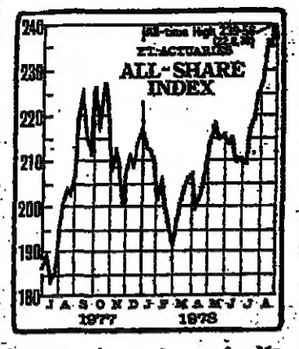
During the 1950s there seemed to be a fairly well-established correlation between the behaviour of the stock market and the outcome of the elections. The Conservatives came to power in 1951 and in the run-up to the 1955 election they let the economy have its head in a way which was strongly reflected in the equity indices. Much the same happened in 1959 and both elections roughly coincided with the ending of strong bull markets.

In 1964 the pattern seemed to be repeated but the bull market was less pronounced and the Conservatives were pipped at the post by Labour. The stockmarket went nowhere over the next 18 months ahead of Labour's second general election, when it was returned with an increased majority. Equities then drifted lower, recovered strongly in 1967/68 and then fell away again ahead of the 1970 election which saw a surprise victory for the Conservatives. This was predictably good news for equities and the FT Industrial Ordinary share index peaked in mid-1972.

However, once again the peaking of the equity market well over a year ahead of the next election augured badly for the incumbent government and the Conservatives subsequently lost during the middle of the severe 1973/74 bear market. Under the current administration the stock market continued going rapidly downhill with the FT Industrial Ordinary share index reaching a lowpoint around 150 at the end of 1974—nine months after the election.

Since then the stock market has recovered smartly and share prices have risen more strongly under the current administration than under any other. The message seems to be that where elections coincide with a bull market, the incumbent government has a very good chance of being returned to power.

Index rose 4.1 to 513.4



That may be good news for Mr. Callaghan; but, given that past bull trends have quickly petered out after the poll it is not much comfort for investors.

Allied/Lyons

Neither Allied Breweries nor the pension funds has anything to gain from a protracted public brawl, and the two sides yesterday decided to patch up their quarrel. Allied is eating humble pie, to the extent that it is calling an extraordinary meeting, although as recently as Thursday it was arguing hotly that it was not obliged to do so either legally or morally. For their part, the funds are no longer pressing for a resolution calling for shareholders' approval for the issue of shares, and are certainly not (if they ever were) trying to get new conditions attached to the Lyons offer before it goes out next Thursday.

So the pension funds have accepted a tame resolution which simply proposes that the Lyons acquisition should be noted "with approval." In the unlikely event of that resolution being turned down the acquisition would still go through—leaving the Allied directors, however, with an effective vote of no confidence outstanding against them.

The underlying issue in all this is the extent to which shareholders should have a right of veto—or to put it more mildly, of consultation—when companies propose major deals. At present the line is drawn according to Stock Exchange rules, which set 25 per cent as the increase in assets or profits which requires a shareholders' meeting. But this is not the same as a legal definition, which is why learned counsel have been able to offer opposite opinions to the two sides this week.

Clearly what has annoyed the pension funds is that the takeover of such a large business as Lyons—with turnover of £800m, and capital employed of £300m—has somehow fallen outside the normal definition of a major deal. Indeed, one reason because Allied has also made a large disposal of Trust House Forte shares recently is obliged by the Stock Exchange to provide shareholders with full details in a Class I circular. There is certainly a case for applying an absolute, as well as proportional, significance test.

Jobbers

There must be sighs of relief at Smith Bros., the jobbers, that "personality problems" put an end to the planned merger with Bisgood Bishop. The latter's figures for the year to April reveal a small net loss. The business, and the morale of its dealing staff, went through a bad patch last winter when the Monopolies Commission was investigating the merger. The losses sustained during that period wiped out the very adequate profits made during the first half.

Things are going better now with improved volume in a rising market but Bisgood management is under no illusions that the position is satisfactory. The second half was a reminder of how difficult it is to make jobbing profits in falling British shares when market conditions are flat. The firm is now re-emphasising jobbing in the second line stocks where there is more of a turn to be made.

At the same time Bisgood directors are casting around for other sources of profit. They might emulate Smith Bros. dealing in foreign securities—that was one of the attractions to Bisgood of the proposed merger. They might diversify away from the securities business altogether. They might even—dare one suggest it—join forces with a stockbroker if the wind of change blows through the Stock Exchange with sufficient force. Mr. Bisgood remarks ruefully in his year-end statement that if his firm had been able to earn commissions "our figures would have been very different."

ARBUTHNOT IN AMERICA

Here's why you should invest now in the Arbuthnot North American and International Fund

Much smaller, but no less successful, has been the Arbuthnot North American Unit Trust, doubling in size to £2½ million in the last few weeks. It also proudly stands at the head of the one-year performance table, with a rise of some 12.5 p.c. in the 12 months to last Friday, which compares with a fall of 8.6 p.c. in the Dow Jones in the same period.
Diana Cotton, Sunday Telegraph, April 30th, 1978

What's more, one or two of those funds whose portfolios contain a fair share of companies other than the leaders have in fact done remarkably well over the past few weeks. Most notably, Arbuthnot, whose North American and International still tops the one-year performance table, with a gain of 13.4 per cent even though around half of the portfolio (some 90 per cent invested directly into the U.S. markets) is composed of smaller companies.
Adrienne Gibson, Financial Times, May 13th, 1978.

Since the launch of this fund on 1st September 1976 to 1st July 1978 the fund has increased in value by 19.8%, compared to a fall of 10.9% in the Dow Jones Index over the same period.

Now – The Right Time to Invest – The US stock market is beginning to recover from a depressed level similar to that in the UK market three years ago. We believe the US market still has room for considerable growth which is the aim of this fund.

Arbuthnot – The Right North American Fund – Over 90% of the fund is currently invested in US securities, much of it in smaller companies. Unlike the blue chip multinationals their growth is not held back by overseas interests operating in less favourable conditions or by falling exchange rates. However, we maintain an extremely flexible attitude and with any improvement in world trade we would increase the fund's holding in the larger international trading companies.

Arbuthnot carry out much in-depth research and constant monitoring, as well as making regular visits to America, so as to pin point the areas and industries that show the greatest potential for growth.

Investment of this fund is partially through a back-to-back loan facility in order to minimise the effects of the dollar premium.

The price of the units and the income from them may go down as well as up.

Your investment should be regarded as long term.

Fixed price offer for North American and International Fund (estimated current gross yield 1%) until 5pm September 1st, 1978 at 36.7p (or the daily price if lower).

The managers reserve the right to close offers at any time if they think it desirable to do so.

Applications will be acknowledged, and unit certificates will be issued within 10 days. The offer price includes an initial charge of 5%. The annual charge is ½% + VAT. All net income is accumulated within the fund. After the close of these offers units will be purchased at the weekly (Tuesday) dealing date, who a units can also be sold back to Barclays at will by mail within 14 days of the dealing date and on receipt of your certificate duly endorsed. The weekly price will appear in most leading newspapers. A commission of 1% will be paid to non-capital agents. This offer is not open to residents of The Republic of Ireland. Trustee: The Royal Bank of Scotland Ltd. Managers: Arbuthnot Securities Ltd., Rex House, 4 Lombard Street, 22 Cheapside Square, Leadenhall. Members of the Unit Trust Association.

To: Arbuthnot Securities Ltd., 37 Queen Street, London EC4R 1BY. Telephone: 01-236 5281.

Capital Sum I/We wish to invest the sum of £ (min £250) in the Arbuthnot North American and International Fund and enclose a cheque payable to Arbuthnot Securities Ltd. Share Exchange Scheme – tick box for details ☐

Monthly Saving Plan I/We wish to invest the sum of £ (min £20) per month in the Arbuthnot North American and International Fund and enclose a cheque payable to Arbuthnot Securities Ltd as the initial payment. A bankers order form will be sent to you by the management following receipt of this order. This order is revocable at any time by one month's notice in writing.

I/We declare that I am/we are over 18 and not resident outside the scheduled territories at this time. I/we accepting the above mentioned securities as the nominee(s) of any person(s) resident outside these territories. (If you are unable to make this declaration, it should be deleted and the form lodged through your Bank, Stockbroker or Solicitor in the United Kingdom.)

Signature(s) Joint applicants, all must sign. Mr/Mrs/Miss or Title and Forename(s)

Full Name(s) Address(es)

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